

4622. Also, petition of Mr. H. C. Doggett, civil engineer, of Boston, Mass., and Mr. Allan V. Garrett, of Boston, Mass., regarding the measuring of the flow of streams and the development of water power; to the Select Committee on Water Power.

4623. By Mr. TAYLOR of Colorado: Petition of citizens of Leadville, Colo., and vicinity, urging extension of time in which to perform mining assessment work for this year until July 1, 1921; to the Committee on Mines and Mining.

4624. By Mr. TAYLOR of Colorado: Petition of the board of county commissioners of Routt County, Colo., urging the passage of Senate bill 3982; to the Committee on Roads.

4625. Also, petition of the Society of the Sons of the Revolution, of Colorado, regarding immigration to the United States; to the Committee on Immigration and Naturalization.

4626. Also, petition of sheep and wool growers of Montezuma County, Colo., urging import tariff duty on mutton and wool; to the Committee on Ways and Means.

4627. Also, petition of the Uncompahgre Valley Cattle and Horse Growers' Association, of Montrose, Colo., protesting against the passage of the proposed increase in grazing fees in national forests; to the Committee on Agriculture.

4628. By Mr. YATES: Petition of J. D. Hollingshead Co., Chicago, Ill., urging the passage of 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4629. Also, petition of the Marshall Field & Co., of Chicago, Ill., by W. H. Mann, general manager, urging that the great need of Alaska is the development of a constructive policy by our Government to make possible the utilization of her rich natural resources in creating local industries and developing a permanent population of home builders; to the Committee on the Territories.

4630. Also, the following petitions protesting against the Smith bill (H. R. 12466) and amending the Federal water power act: George R. Roberts, Chicago; Anna Jaderholm, Chicago; Miss Jessie R. Knowles, Chicago; and the River Forest Women's Club, of River Forest, all of the State of Illinois; to the Select Committee on Water Power.

SENATE.

MONDAY, December 20, 1920.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come to Thee after the sacred and hallowed influences of the Sabbath day as we begin our new week of work. We thank Thee that Thou didst give to us in Thy divine providence a day that is hallowed by such sacred memories, and that brings us back, week by week, to the old associations and the blessed influences of child life. We thank Thee for the emphasis that Thou dost put upon the ministry of the Sabbath Day by continuing it as a holy institution through the years, giving to us an opportunity to worship God and to serve our fellow men. We pray that we may bring to the service of this day the influences of the Sabbath, and that we may remember if we are to be right toward our fellow man we must first be right toward God. Grant us the holy influence of Thy presence as we address ourselves to the tasks of a new day. For Christ's sake. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Thursday, January 16, 1920, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PUBLICATIONS OF THE DEPARTMENT OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing the number of publications issued by the Department of Agriculture during the fiscal year ended June 30, 1920, which was referred to the Committee on Printing.

CREDENTIALS.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Idaho, certifying to the election of FRANK R. GOODING as a Senator from that State for the term of six years, beginning March 4, 1921, which was read and ordered to be filed, as follows:

STATE OF IDAHO,
Department of State.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, FRANK R. GOODING was duly chosen by the qualified electors of the State of Idaho a Senator from said State to represent said State in the Senate of the

United States for the term of six years, beginning on the 4th day of March, 1921.

Witness his excellency our governor, D. W. Davis, and our seal hereto affixed at Boise City, the capital of Idaho, this 3d day of December, in the year of our Lord 1920.

[SEAL.]

By the governor:

Attest:

D. W. DAVIS, Governor.

ROBERT O. JONES,
Secretary of State.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Iowa, certifying to the election of ALBERT B. CUMMINS as a Senator from that State for the term of six years beginning March 4, 1921, which was read and ordered to be filed as follows:

STATE OF IOWA,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, ALBERT B. CUMMINS was duly chosen by the qualified electors of the State of Iowa a Senator from said State, to represent said State in the Senate of the United States for a term of six years, beginning on the 4th day of March, 1921.

In testimony whereof, I have hereunto set my hand and caused to be affixed the great seal of the State of Iowa.

Done at Des Moines, Iowa, this 16th day of December, 1920.

[SEAL.]

By the governor:

W. T. HARDING, Governor.

W. C. RAMSAY,
Secretary of State.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Kansas, certifying to the election of CHARLES CURTIS as a Senator from that State for the term of six years, beginning March 4, 1921, which was read and ordered to be filed, as follows:

CERTIFICATE OF ELECTION.

STATE OF KANSAS,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, CHARLES CURTIS was duly chosen by the qualified electors of the State of Kansas a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1921.

Witness his excellency our governor, Henry J. Allen, and our seal hereto affixed at Topeka, Kans., this 13th day of December, in the year of our Lord 1920.

[SEAL.]

By the governor:

HENRY J. ALLEN, Governor.

L. J. PETTITJOHN,
Secretary of State.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed, with amendments, the joint resolution (S. J. Res. 212), directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, in which it requested the concurrence of the Senate.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H. R. 13931) to authorize association of producers of agricultural products, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. VOLSTEAD, Mr. GRAHAM of Pennsylvania, and Mr. SUMMERS of Texas, managers at the conference on the part of the House.

The message also announced that the House had passed the bill (S. 4565) extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921.

ENROLLED BILL SIGNED.

The message further announced that the Speaker of the House had signed the enrolled bill (S. 4526) to amend section 501 of the transportation act, 1920, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

Mr. WARREN. Mr. President, the extreme condition, in fact, the crushing condition of the market, or almost no market for wool, sheep, beef, and mutton brings me a great many petitions in the form of telegrams and otherwise. I have in my hands 15 or 20 of the briefest, which I am going to ask to have noted in the RECORD, but not extended. I wish to quote a few words from one or two for the RECORD, as they will show the nature of the others. They not only come from Wyoming, but from other States as well. Here is one from one of the largest farmers' feeding associations in the country, located in Colorado, which says:

The Sheep Feeders' Association of Northern Colorado, representing the owners of nearly 2,000,000 head of sheep being fed for market in northern Colorado, urge that everything be done that possibly can be

dope to place an immediate embargo upon meats, wool, and grain now flooding our markets and threatening ruin to the farmers and stock men of this section. The situation is most acute. Many of our most substantial citizens face immediate ruin unless some immediate action is taken in their behalf.

They ask an answer to the association, and the officers of this association have signed the telegram.

Some of these petitions come from bankers as well as growers and feeders. Here is one from an individual grower of wool. I read a few words from it. He says:

A year ago I owned what I considered an equity of \$50,000 in a bunch of sheep. To-day with wool unsold, following the condition of last winter, and now the terrible depreciation, I have practically no equity at all in the same number of sheep; and if this is followed up by another year with conditions like the past, the business will be at an end and entirely closed out.

I ask that all these petitions be referred to the Committee on Finance.

The petitions were referred to the Committee on Finance, as follows:

A petition of Ira B. Casteel, vice president Stock Yards National Bank, of Denver, Colo., favoring an embargo against importation of meats, wool, and wool products;

A petition of W. A. Wolford, H. A. Anderson, and Charles L. Vyvey, of Encampment, Wyo., praying for the enactment of legislation to prevent the importation of farm and live-stock products;

A petition of Hunter, Casteel & Hunter Co., of Encampment, Wyo., praying for the enactment of legislation for the protection of the live-stock business;

A petition of James E. Stewart, secretary Tri-State Wool Growers' Association of Bellefourche, S. Dak., praying for the enactment of legislation placing an embargo on wool;

A petition of Charles Terwilliger, of Encampment, Wyo., praying for the enactment of legislation placing a temporary embargo on farm and live-stock products and later enactment of a protective tariff thereon;

A petition of Charles H. Sanger, of Encampment, Wyo., praying for the enactment of legislation placing an embargo on farm and live-stock products;

A petition of the Stockgrowers' State Bank, Saratoga, Wyo., praying for the enactment of legislation placing an embargo on wool and live-stock products;

A petition of W. M. Toothaker, of Encampment, Wyo., praying for the enactment of legislation for the protection of farming and live-stock industries;

A petition of W. T. Peryam & Sons, of Encampment, Wyo., praying for the enactment of legislation restoring a tariff on grain, meat (live or dead), hides, wool, and rags;

A petition of the Saratoga Valley Stockgrowers' Association, of Saratoga, Wyo., praying for the enactment of embargo legislation; and

A petition of C. A. Cook, of Encampment, Wyo., praying for the enactment of legislation placing an embargo on the importation of live stock.

Mr. WARREN presented a memorial adopted by the Chamber of Commerce, of Basin, Wyo., remonstrating against the enactment of legislation commercializing national parks for power plants and other purposes, which was referred to the Committee on Commerce.

Mr. CURTIS presented petitions of sundry citizens of the State of Kansas; the Chamber of Commerce of Topeka, Kans.; and the Chamber of Commerce of Manhattan, Kans., praying for the enactment of legislation increasing the salaries of postal clerks, which were referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of the Friends of Ireland of Topeka, Kans., remonstrating against the application of force by the British Government directly against the Irish people, which was referred to the Committee on Foreign Relations.

He also presented a petition of the board of directors of the Topeka Board of Trade, favoring the Federal law prohibiting the sale of grain for future delivery unless the individual has in his possession the actual amount of grain to be sold, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the Wichita Board of Commerce, of Wichita, Kans., favoring the budget system, which was referred to the Committee on Finance.

He also presented a petition of members of Parsons, Kans., Local No. 576, N. F. P. O. C., favoring a law that will exempt all postal clerks from examination after they have served a term of 20 years, which was referred to the Committee on Post Offices and Post Roads.

He also presented memorials of the Topeka Typothetae, of Topeka, Kans., remonstrating against the enactment of legislation imposing a tax on all advertising in newspapers and periodicals, which were referred to the Committee on Finance.

He also presented a petition of sundry farmers of Cowley County, Kans., praying for the enactment of legislation extending credits at reasonable rates to farmers, which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of disabled volunteer soldiers of the United States; a petition by members of the National Military Home for Disabled Soldiers (Volunteers), of Leavenworth, Kans.; and a petition of James W. Hamilton, Leavenworth County, Kans., praying for the enactment of legislation for "outdoor reliefs," which were referred to the Committee on Pensions.

Mr. KENDRICK presented a memorial of the Chamber of Commerce of Basin, Wyo., remonstrating against the enactment of legislation commercializing national parks for power plants and other purposes, which was referred to the Committee on Commerce.

Mr. CAPPER presented a petition of the Kansas City branch of Railway Mail Association, of Kansas City, Mo., praying for the enactment of legislation increasing the salaries of postal clerks, which was referred to the Committee on Post Offices and Post Roads.

Mr. NELSON. Mr. President, I received the following brief telegram in the form of a petition, which I will read:

For Heaven's sake wake up the Senate and place embargo on all farm products from all foreign countries before the country goes to smash. Ruin faces every farmer as well as business man in the United States.

It is signed by hundreds of farmers.

The VICE PRESIDENT. The petition will be referred to the Committee on Finance.

Mr. NELSON presented a petition of Chippewa Indians, Leech Lake Agency, of the State of Minnesota, praying for the enactment of legislation to amend the act of January 14, 1889, to permit those Indians to hunt and fish upon the lands ceded by that act, which was referred to the Committee on Indian Affairs.

Mr. JONES of Washington presented memorials of the City Council of Camas, Wash., and the John R. Thompson Camp, No. 1, United Spanish War Veterans, Department of Washington and Alaska, remonstrating against the immigration of undesirable aliens, which were referred to the Committee on Immigration.

Mr. FERNALD presented a petition of sundry citizens of the State of Maine, praying for the enactment of legislation increasing the salaries of postal clerks, which was referred to the Committee on Post Offices and Post Roads.

Mr. POINDEXTER presented a telegram from the Associated Banks of Walla Walla, Wash., favoring an embargo upon wool, which was referred to the Committee on Finance.

PUBLIC SCHOOLS IN THE DISTRICT OF COLUMBIA.

Mr. WALSH of Massachusetts. Mr. President, the special committee of the Senate which investigated the school system of the District of Columbia during the last session, in its report recommended an expert survey of the District schools. Having this recommendation in mind, a group of public-spirited women, about 250 in number, representing the mothers and parent-teachers' association, voluntarily and at a great sacrifice of time and energy undertook a personal survey of the physical condition of all the schools in the District.

These women having first prepared a plan of action and a questionnaire, which was submitted to the superintendent of schools, the board of education, and the supervising principals, and unanimously approved by them, personally visited the schools, made a very complete survey, and, without expense to the Government or the District of Columbia, prepared a report which very fully and exhaustively sets forth the average number of pupils in each schoolroom in the District, the physical condition of the classrooms, basement, lavatories, and the play stations, together with the conditions as to light, heat, and drinking-water facilities.

I accordingly offer this valuable report and ask to have it referred to the Committee on the District of Columbia, with the suggestion that it be printed as a public document. I ask that careful consideration be given to its recommendations by that committee.

The VICE PRESIDENT. The report will be referred to the Committee on the District of Columbia.

SULPHUR RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably with amendments the bill (S. 4588) granting the consent of Congress to the counties of Bowie and Cass, State of Texas, for construction of a bridge across Sulphur River at or near Pettis Bridge on State Highway No. 8, in said counties and State, and I submit a report (No. 671) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The amendments were, on page 1, line 8, to strike out the word "Douglasville" and in lieu thereof insert the word "Douglassville," and on page 1, at the end of line 9, to insert the word "of," so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the counties of Bowie and Cass, State of Texas, to construct, maintain, and operate a bridge and approaches thereto across the Sulphur River at a point suitable to the interests of navigation at or near the location of Pettis Bridge on Texas State Highway No. 8, as located between Douglassville, in Cass County, and the town of Maud, in Bowie County, State of Texas, in accordance with the provisions of the act entitled, "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WITHLACOCHEE RIVER BRIDGE, GEORGIA.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (S. 4587) granting the consent of Congress to the counties of Brooks and Lowndes, in the State of Georgia, to construct a bridge over the Withlacoochee River, and submit a report (No. 670) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the counties of Brooks and Lowndes, in the State of Georgia, and their successors and assigns, to construct or rebuild, maintain, and operate a bridge and approaches thereto across the Withlacoochee River at a point suitable to the interests of navigation at or near Ousley, Ga., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE, PA.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably with an amendment the bill (S. 4541) to extend the time for the construction of a bridge across the Susquehanna River at Harrisburg, Pa., and I submit a report (No. 672) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The amendment was, on page 1, line 13, after the word "from," to strike out "October 19, 1919, the date of the expiration of the time limit for commencing the work," and to insert "the date of approval of this act," so as to make the bill read:

Be it enacted, etc., That the times for commencing and completing the reconstruction of a bridge authorized by act of Congress approved October 19, 1918, to be reconstructed by the Philadelphia, Harrisburg & Pittsburgh Railroad Co., its lessees, successors, and assigns, across the Susquehanna River at or about 4,250 feet west of Philadelphia, Harrisburg & Pittsburgh Junction, Harrisburg, Pa., to a point in the borough of Lemoyne, Cumberland County, State of Pennsylvania, in accordance with act of Congress approved March 23, 1906, are hereby extended one and three years, respectively, from the date of approval of this act.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALABAMA RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (S. 4519) to authorize the Louisville & Nashville Railroad, its successors and assigns, to construct and maintain a bridge across the Alabama River at or near a point approximately 4 miles from the city of Montgomery, Ala., and I submit a report (No. 669) thereon. I ask for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the Louisville & Nashville Railroad, its successors and assigns, be, and they are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Alabama River at a point suitable to the interests of navigation, one end of said bridge to be in the county of Montgomery, Ala., and the other in the county of Elmore, Ala., at or near a point approximately 4 miles from the city of Montgomery, Ala., in accordance with the pro-

visions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HENDERSON:

A bill (S. 4678) to amend section 2324 of the Revised Statutes; to the Committee on Mines and Mining.

By Mr. JONES of Washington:

A bill (S. 4679) for the relief of Albert C. West; to the Committee on Military Affairs.

By Mr. WALSH of Massachusetts:

A bill (S. 4680) granting a pension to Emily W. Marsh (with accompanying papers); to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 4681) for the relief of J. M. Brown; to the Committee on Military Affairs.

By Mr. BRANDEGEE:

A bill (S. 4682) to amend section 74 of the Judicial Code, as amended; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

A bill (S. 4684) for the relief of Annie M. Lepley; to the Committee on Claims.

By Mr. MYERS:

A bill (S. 4685) for the relief of George Emerson; and

A bill (S. 4686) to extend the provisions of section 2455, Revised Statutes, to the lands within the abandoned Fort Buford Military Reservation, in the States of North Dakota and Montana; to the Committee on Military Affairs.

By Mr. HALE:

A bill (S. 4687) for the relief of Marion B. Patterson; to the Committee on Claims.

By Mr. McCUMBER:

A bill (S. 4688) for the relief of A. W. Duckett & Co.;

A bill (S. 4689) for the relief of Eli N. Sonnenstrahl; and

A bill (S. 4690) for the relief of the North American Dredging Co.; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 4691) granting a pension to Elizabeth Ogden (with accompanying papers); to the Committee on Pensions.

By Mr. ROBINSON:

A bill (S. 4692) for the relief of the heirs of Agnes Ingels, deceased (with accompanying papers); to the Committee on Claims.

By Mr. CALDER:

A bill (S. 4693) fixing the compensation of United States inspectors of customs; to the Committee on Commerce.

By Mr. ROBINSON (for Mr. WALSH of Montana):

A bill (S. 4695) providing for the establishment of State boards of war risk appeals; to the Committee on Finance.

By Mr. McNARY:

A bill (S. 4696) for the relief of William Mortensen; to the Committee on Claims.

FORCED SALE OF BONDS.

Mr. McLEAN. Mr. President, I introduce the following bill, which is very brief and which I ask may be read:

The bill (S. 4683) to amend section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919, was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919, be further amended by striking out the words "December 31, 1920," at the end thereof and inserting in lieu thereof the following: "December 31, 1921."

Mr. McLEAN. Mr. President, I am informed by the Federal Reserve Board that there are large totals of Government bonds and certificates of indebtedness still held by the banks which are not yet wholly paid for by the owners, and that unless the proviso in section 11 in the Federal reserve act is amended as proposed the owners of the bonds will be compelled to throw them on the market, which in the opinion of the Federal Reserve Board is very unwise and entirely unnecessary.

I call attention to the bill at this time and ask to have it referred to the Committee on Banking and Currency. I desire to give notice that I shall ask for action on the part of the Senate some time this week, provided, of course, the Committee on Banking and Currency approve.

The VICE PRESIDENT. The bill will be referred to the Committee on Banking and Currency.

SAMUEL H. DOLBEAR.

By Mr. POINDEXTER:

A bill (S. 4604) for the relief of Samuel H. Dolbear; to the Committee on Mines and Mining.

Mr. POINDEXTER. I ask to have printed, for information of the committee, a letter from the Secretary of the Interior, at whose request I introduce the bill, which letter explains its purpose.

The letter was referred to the Committee on Mines and Mining and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
Washington, December 8, 1920.

Hon. MILES POINDEXTER,
Chairman Committee on Mines and Mining,
United States Senate.

MY DEAR SENATOR: Upon December 22, 1919, the War Minerals Relief Commission recommended that an award of \$10,955.15, less the sum of \$833.12 due the United States on account of the Bureau of Public Roads, Department of Agriculture, be made to Samuel Dolbear, of San Francisco, Calif., under section 5 of the act of March 2, 1919 (40 Stat., 1272-1274). An award in harmony with the commission's recommendation was made by Secretary Lane January 14, 1920, and duly paid by the Treasury Department. Thereafter it was discovered that an error of \$2,845.37 had been made against Mr. Dolbear, inasmuch as profits of that amount made in the buying and selling of chrome ores and not in the mining thereof had been improperly deducted. Accordingly, upon April 30, 1920, the commission recommended an additional award of \$2,845.37, which was made by me May 18, 1920. This additional award was certified to the Auditor for the Interior Department May 20, 1920. Upon June 5, 1920, however, the auditor refused to allow payment, and on June 25, 1920, requested a review of his action by the Comptroller of the Treasury. The acting comptroller's decision of November 6, 1920, sustained the action of the auditor.

The situation presented, therefore, is that the United States is justly indebted to Mr. Dolbear in the sum of \$2,845.37, which can not be paid him under the rulings of the officers of the Treasury Department. Legislation is needed authorizing and directing the Secretary of the Treasury to issue the proper warrant payable from the appropriation made by the war minerals relief act (sec. 5, act of Mar. 2, 1919, 40 Stat., 1272-1274) in payment of the additional award of \$2,845.37 made by the Secretary of the Interior May 18, 1920. A draft of a bill for such purpose is inclosed, and I request that you introduce it, provided that it meets with your approval.

Cordially, yours,

JOHN BARTON PAYNE, Secretary.

WITHDRAWAL OF PAPERS.

On motion of Mr. ELKINS, it was

Ordered, That the papers in the case of the bill (S. 2468) granting an increase of pension to George W. Johnson be withdrawn from the files of the Senate, no adverse report having been made thereon.

HOUSE BILL REFERRED.

The bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

FINANCING OF AGRICULTURAL OPERATIONS.

The VICE PRESIDENT (at 12 o'clock and 15 minutes p. m.). If there is no further morning business, morning business is closed.

The Chair lays before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes, which will be stated.

The ASSISTANT SECRETARY. On page 2 strike out lines 9 to 16, inclusive, being section 2, as follows:

Sec. 2. That it is the opinion of the Congress that the Federal Reserve Board should take such action as may be necessary to permit the member banks of the Federal Reserve System to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them, by permitting the rediscounting of such notes of extension at a fair and reasonable rate of interest.

And strike out the preamble.

Mr. GRONNA. Mr. President, before I proceed I desire to make a parliamentary inquiry. Is this a debatable question?

The VICE PRESIDENT. Ordinarily the question would be debatable, but, as the Chair remembers, to-day is Calendar Monday.

Mr. GRONNA. I know that quite a number of Senators are very much interested in the measure which the Chair has laid before the Senate and desire briefly to discuss it.

The VICE PRESIDENT. What does the Senator from North Dakota desire to discuss?

Mr. GRONNA. I desire to move that the joint resolution be taken in, in order that we may have a right to discuss it.

The VICE PRESIDENT. The Chair thinks there is nothing to do except either to move to agree to the amendments of the House to the joint resolution or to ask for the appointment of conferees on the House amendments.

Mr. GRONNA. I ask unanimous consent that the members of the Committee on Agriculture and Forestry be given an opportunity to discuss the matter.

The VICE PRESIDENT. The Chair would like to know what the Senator desires to have discussed. What motion is he going to make? Is he going to make a motion to concur in the House amendments to the joint resolution, or is he going to make a motion for the appointment of conferees on the amendments? There is no motion now pending which the Senate may properly discuss.

Mr. KING. Will the Senator from North Dakota yield to me?

Mr. GRONNA. Certainly.

Mr. KING. I suggest that he permit some other Senator to move to concur in the amendments of the House. If he will allow me, I move that the Senate concur in the amendments which have been made to the joint resolution by the other House.

Mr. HITCHCOCK. That motion is debatable.

The VICE PRESIDENT. The question is on the motion of the Senator from Utah. Is there objection to discussion on the question? The Chair hears none.

Mr. GRONNA. Mr. President, I had hoped that Congress would finally pass the joint resolution in the form in which it passed the Senate. I have been reading the CONGRESSIONAL RECORD, and while I shall not refer to the proceedings in the other body, I desire to say that I frequently find the statement made that this proposed legislation will be of no benefit to the farmers; that it is merely a deception. We have also been told by Members of this body of the liberality which has been shown to the agricultural sections of the country by the Federal Reserve Board; and I think some of the Members of the Senate have pointed out the large amount of credit which has been extended to the farmers through the Federal Reserve System.

I wish to say—and I call the attention of the junior Senator from Virginia [Mr. GLASS] especially to the statement—that it is my opinion that no one knows how much credit has been so extended and what amount of farm paper has been rediscounted in the Federal reserve banks. I repeat that I do not believe there is a Member of this body who knows, nor do I believe that anyone else knows, the amount or even approximately the amount of money which has been loaned to farmers through the 12 Federal reserve banks.

Mr. SMITH of South Carolina. Mr. President, will the Senator permit me to ask him a question?

Mr. GRONNA. I yield to the Senator from South Carolina.

Mr. SMITH of South Carolina. Is it not the Senator's impression that there have been statements made that the amount of paper discounted for agricultural purposes even this year has exceeded any amount heretofore discounted, and that it consists of enormous sums in the agricultural sections?

Mr. GRONNA. I have heard that statement made; I heard it made the other day by a certain Senator; but I do not believe that it is fair to the agricultural sections of the country to say that they have been treated with such liberality, when, as a matter of fact, no one knows what credit has been extended to that particular industry; how much money has been loaned upon farm paper.

Mr. President, I fully realize that the passage of this proposed resolution will not be a panacea for all our ills, nor will it fully relieve the terrible distress which is now facing the people not only in the agricultural sections of the country but throughout the land. However, I do believe that the passage of the measure—and I speak now of section 2 of the joint resolution as well as of section 1—would be helpful.

In the first place, we know that now more than at any time during the war we need a market for agricultural products. During the war there was so large a demand for farm products that we were unable to furnish to the people of Europe and to the people of other foreign lands the amount of such products for which there was a demand. For that reason the War Finance Corporation was not called upon to assist in financing the people who were engaged in producing grain, cotton, cattle, and wool.

Mr. President, I desire to be frank with the Senate. I have believed and still believe that the agricultural districts have been discriminated against. I do not believe that they have received at the hands of the administrative officers the consideration that the great farming industry is entitled to receive. To substantiate that statement, I am going to read a brief letter which I directed to Gov. Harding, of the Federal Reserve Board, and I am going also to read his reply. I wish to call the attention of the junior Senator from Virginia, as well as

the attention of other Members of the Senate, to these letters.

I first read my letter to Gov. Harding, as follows:

HON. W. P. G. HARDING,

Governor of the Federal Reserve Board,
Treasury Department, Washington, D. C.

DECEMBER 14, 1920.

DEAR SIR: I am directed by the Committee on Agriculture and Forestry of the Senate to ask you for the following information:

What amount of securities rediscounted at the several reserve banks for 1920 to date is on actual agricultural paper, based on the agricultural productions and sales of 1920, not including the transfer of Government bonds to commercial accounts, nor the extension of credits carried over from 1919, also a like statement for 1919.

Yours, truly,

A. J. GRONNA.

I have here Gov. Harding's reply. It bears directly upon the statement made by the Senator from North Carolina [Mr. SIMMONS] a few days ago. The letter is dated December 14, 1920, and is addressed to me, as follows:

I acknowledge receipt of your letter of this date, asking the board to advise your committee of the total amount of paper discounted by the 12 Federal reserve banks during the year 1920, based on production and sales of farm products during the year, exclusive of notes secured by Government obligations the proceeds of which may have been used for agricultural purposes, and also paper evidencing borrowings on account of production and sales during 1919, and requesting also similar information for the year 1919.

It has been necessary to wire the Federal reserve banks for this information, as it is not contained in the board's records here. As soon as replies to the board's telegram are received and the information compiled therefrom I will send you a memorandum on the subject.

Yours, truly,

W. P. G. HARDING, Governor.

Mr. President, that absolutely substantiates the statement made by the Senator from North Carolina and others in regard to the alleged liberality with which some Senators would have us believe the agricultural interests have been treated. It can not be proven that such liberality has been accorded those interests, because Gov. Harding states that no one knows how much money has been loaned upon that kind of paper.

Mr. GLASS. Mr. President, I will say to the Senator that I did not assume to know just how much credit had been extended to the agricultural interests of the country. I simply cited the fact that the banks located in the cotton, grain, and cattle growing sections of the country had given greater extensions of credit than any of the other banks. If, however, the Senator will permit me, I hold in my hand the latest estimate of agricultural loans obtained by the governor of the Federal Reserve Board from the respective Federal reserve banks.

Mr. GRONNA. Before the Senator proceeds, may I ask him what is the date of the estimate?

Mr. GLASS. It is contained in a speech delivered by Gov. Harding, of the Federal Reserve Board, before the American Farm Bureau Federation at Indianapolis on December 7. Gov. Harding says:

Early in the season the Federal reserve banks in the various districts were asked to estimate the proportion of their total loans directly in support of the agricultural and live stock interests. The estimates for September 3, 1920, were as follows:

Federal reserve bank at Richmond, 27.3 per cent; Atlanta, 23.7 per cent; Chicago, 48.3 per cent; St. Louis, 22 per cent; Minneapolis, 65.6 per cent; Kansas City, 39.8 per cent; Dallas, 50 per cent; San Francisco, 58.7 per cent.

In some of these banks the proportion of agricultural paper held is much greater now than on September 3.

It is certain that there has been no curtailment of agricultural credits by the Federal reserve banks, and while, as I have stated, exact figures of member bank transactions are not yet available, it seems reasonable to assume that there has been a very large volume of credit extended by member and nonmember banks in support of the agricultural interests.

Mr. GRONNA. Mr. President, I believe that the letter written by the governor of the Federal Reserve Board to me under date of December 14 answers the statement of the Senator from Virginia. I might hazard a guess as to what amount of business has been transacted by these various banks and I might not get within gunshot of accuracy. It is evident that this was a political speech which the Senator has read from, and it is evident from the reply of the governor of the Federal Reserve Board—whom I hold in very high esteem—that he tells the absolute truth in his letter to me.

I was directed by the Committee on Agriculture and Forestry, upon the motion of the Senator from South Carolina [Mr. SMITH]—and I took no offense at being directed—to write this letter. In other words, I welcomed it, because I realized that I was only a humble servant of the people, trying to represent, in part at least, the people of my State and the entire country.

The Senator from Virginia would have the people of this Nation believe that he knew the other day, when he read from certain records, that there was no ground for any complaint; that he knew that the agricultural districts had been treated with such liberality that it is unbecoming for any Senator here even to say that it might be good business for the banks to be

a little more liberal in the future and loan money to farmers at reasonable rates.

Mr. GLASS. Mr. President, I submit that the Senator from Virginia simply quoted the official figures of the Federal Reserve Board. I did not assume to say what parts of the credits were agricultural credits and what parts were strictly industrial credits, and the address of the governor of the Federal Reserve Board, from which I have just quoted, supplements the official figures I gave.

Mr. GRONNA. Mr. President, I have such a high regard and esteem for the Senator from Virginia—I have had the pleasure of serving with him both in the other body and in this—that I certainly would not even intimate that he would attempt to mislead the Senate or the country by any figures which he might present. I am sure that he would not. If I have said anything which even intimates such a thing as that, I certainly want to retract it. I have too high a regard for the Senator from Virginia to convey the impression that he would willfully make any statement that would misrepresent the true condition of the Federal reserve banks of the country.

I maintain, Mr. President, that those of us who insisted upon section 2 were not only within our rights, but it was our duty to do so; and Gov. Harding's letter not only indicates but proves beyond a question of doubt that there has not even been enough interest manifested in this great question for them to keep a record of how much paper has been actually rediscounted, based upon farm paper. I want the Senate to know, and I hope the country will know, that up until the 14th day of December no one knew how much paper had been discounted in the 12 Federal reserve banks, based upon agricultural paper.

Mr. KING. Mr. President, will the Senator permit an inquiry for information?

Mr. GRONNA. Certainly.

Mr. KING. Does the Senator assert that the Federal Reserve Board placed any prohibition upon the member banks against loaning their funds to agriculturists? My information is that the Federal Reserve Board, though it might have restricted such loans to 25 per cent of the assets of the various banks, permitted loans up to 99 per cent, and that if adequate credit has not been extended to the farmers it has not been the fault of the Federal Reserve Board, the central organization here, but it has been the fault of the member banks; that the member banks throughout the United States have loaned quite liberally; indeed, that the member banks have loaned to farmers and to their customers all they should have loaned, and in many instances have loaned so much that instability threatens many of these banks throughout the United States.

May I inquire of the Senator, furthermore, if the banks themselves, and his bank, and other banks, would not experience some difficulty in determining the amount to be loaned to farmers upon a falling market? If I may illustrate what I mean, I know that a number of banks in the West were perfectly willing to loan to the woolgrowers, but the price of wool was constantly falling, and it was impossible to determine how much should be loaned per pound on a safe margin. For instance, if the price of wool to-day were 30 cents, there was no certainty that it would be that to-morrow, and indeed it has fallen until perhaps it will not sell for more than 9 or 10 or 12 or 15 cents per pound. Now, I suggest to the Senator, How are the banks that are willing to loan to determine, upon a constantly shrinking market, the margin of safety which they must allow in making loans to agriculturists?

Mr. GRONNA. Mr. President, I believe the able Senator from Utah has answered his own questions.

Mr. SMITH of South Carolina. Mr. President, if the Senator will allow me, does not the Senator's question suggest the very contention that the Senator from North Dakota is making? If these farm products, which are notoriously unprotected by any other form of resource on the part of the man that holds them, are falling and falling under the cry of deflation and contraction and freezing out uncertain and questionable loans, would it not be perfectly natural for the banks to withhold credit from such insecure paper as farm paper is usually looked upon as being and extend their credits to those who have more resources and could respond more easily to a demand for further collateral? Is it not proving just the Senator's contention that they did not get their share of the loans?

Mr. KING. If the Senator will pardon me, my question really was for the purpose of exonerating the Federal Reserve System from the criticism which I understood the Senator from North Dakota was leveling against them, and particularly against Gov. Harding, on the ground that they had been unwilling to extend credit. My understanding was that they had authorized the

member banks to loan as much as 99 per cent to agricultural interests, and that if loans were not made the responsibility did not rest at the door of the Federal Reserve System. I am asking the question for information.

Mr. GRONNA. Let me say to the able Senator from Utah that the governor of the Federal reserve bank and the board have no power according to law to say upon what class of paper the member banks shall loan their money; so I think the Senator from Utah has misunderstood my statement. I am only complaining of the treatment which the farmers as a class, whether they are stockmen, or sheepmen, or producers of grain, have received at the hands of those who are in control of the banking business. That includes State banks not members of the Federal Reserve System, I will say to the Senator, as well as the Federal reserve banks. I am simply making the statement, and I do it with all candor—if I am mistaken, I am honestly mistaken—that I do not believe enough attention has been paid to the conditions in the agricultural districts, because nobody has even seen fit to gather statistics and to know how liberally this class of paper has been treated. I say nobody knows. It is no answer to that statement to say that the St. Paul bank or the Kansas City bank has loaned so many millions of dollars. That may be money which has been loaned to people engaged in manufacture, or to other banks, or to people engaged in some other business, or to railroads. I am speaking of the agricultural conditions throughout the country, and I say that they have not received the attention that they should have received, because here is an acknowledgment by an official of the Federal Reserve System to the effect that nobody knows how much paper had been discounted up to that particular date, December 14, 1920; and it is of that that I complain.

Mr. President, I shall take but a few more moments of the time of the Senate.

Mr. SIMMONS. Mr. President—

Mr. GRONNA. I yield to the Senator from North Carolina.

Mr. SIMMONS. The Senator from Utah [Mr. KING], as I understood, said that the Federal reserve banks had placed no restriction upon loans to producers of agricultural products.

Mr. GRONNA. Yes.

Mr. SIMMONS. That is a statement that is fundamental to this controversy; but that statement is not correct.

The Federal reserve banks did place especial restrictions upon loans upon crops. The farmer ordinarily does not need credit during the period when he is marketing his crop. If there is a market—that is, a demand which can be called a market—for the products, he sells his crop and obtains money. He does not need the same degree of credit that he does while he is making the crop. But if there is no market for his crop which can be called a market—and that is the condition which it is contended exists in certain sections of this country, at least, if not all through the country, as pertains to agriculture—if the price that is offered in such a market as we have is one-half the cost of production, the farmer hesitates in those conditions to sell; he ought to hesitate to sell. It is not in the public interest that the products of the farms of this country should be sold for one-half the cost of their production. If that is done, not only the farmer will suffer, but every other industry in the country will suffer.

We had exactly that condition beginning with September, and it has continued up to the present time. With reference to many of the products of the farmer there could not be said to be a market. When cotton sells for from 8 to 12 cents in the local market, when it costs 30 cents to produce it, it can not be said that there is any market for cotton. When wool costs twice as much to produce as is offered in the market, it can not be said that there is any market in this country for wool. And it can not be said, as a sound public policy, that the producers ought to be forced, under those conditions, to throw their products upon the market and sell them at this sacrifice, when they have a reasonable hope that that condition will be relieved if they hold their products temporarily.

The condition just described confronted the farmers in my section this fall with reference to cotton, and I think it is the same elsewhere, and with tobacco the situation was even worse, tobacco not bringing one-fourth of what it cost to produce it in certain localities, in many sections not bringing enough to pay for the fertilizer put on the land, and in many sections of the South not bringing one-half of the cost of production; and naturally the farmer desired, under those circumstances, to withhold his crop temporarily, until there was a market for it. It was for that reason that the farmers asked credit.

What was the response of the Federal reserve banks? It was that what we are trying to do in this country is to reduce prices, and in the interest of that policy of reducing prices banks should not do anything which will tend or is calculated

to enhance the price of the farmers' products, although that price in such market as he has is one-half the cost of the production of the crops—

Mr. POINDEXTER. Mr. President—

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Washington?

Mr. SIMMONS. I yield to the Senator.

Mr. POINDEXTER. I noticed the other day that some bonds had been prepared by a farmers' association, being the form of obligation which it proposed to assume for the purpose of borrowing money upon wheat along the lines the Senator is now speaking of. That happens to be the product in this particular case. I noticed that those bonds had printed in them the rate of interest, which was 8 per cent. Suppose the relief the Senator from North Carolina is advocating were granted, and an extension of time were given to this association of farmers, or to cotton farmers in his section, at 8 per cent, we will say, or any other comparatively high rate of interest, what assurance has the Senator, or can any of us have, that that ultimately would be of any benefit to the farmers? The only way in the world that they can be benefited by it would be if in the outcome of the market, with all the uncertain contingencies which affect markets, they were able to get for their product at some future time a sufficiently higher price to pay this interest which is accumulating upon their obligation, and the other losses which they necessarily incur by this relief. I voted for this joint resolution because I was so anxious to get relief that I was ready to support any measure which does not seem to be seriously injurious, if it gives the hope, even, of relief. But I see nothing in the measure which ultimately assures the farmers, or gives them a reasonable expectation, that they are going to be better off after they get this extension than they are now.

Mr. SIMMONS. Mr. President, one of the reasons why the farmer is not able to obtain a better price for his products is the export situation, the inability of Europe to buy our farm products as heretofore—cotton and wheat and tobacco—and the indisposition of bankers and financiers of this country, probably due to the unsettled conditions of exchange and other conditions in Europe, to finance these export transactions.

Some time ago we provided for the organization of what are known as Edge law corporations, for the purpose of providing for this situation with reference to our export trade. The object of those corporations is to bring together the farmers of the country and the bankers of the country into great export corporations for the purpose of lending money to foreign Governments and to foreign industries, to enable them to buy our products, especially our agricultural products. If those corporations are successfully organized and there is some place to which they can go and get credit in adequate amount in order to finance these exportations, it is reasonable to suppose that such relief as can come to agriculture through that source will be obtained.

While this scheme was in process of formation, to relieve just the situation which has tended largely to bring about this lack of markets in this country, the Federal Reserve Board promulgated these stringent rules of credit as applying to agriculture and made it impossible for the farmers of the country to hold their products until these corporations can be organized and this money can be raised for the purpose of affording them that relief.

Now, Mr. President, if it is necessary for the farmers of this country to hold their crops for a limited period of time, until this export situation can be relieved by being properly financed, it does not make much difference to the farmer if he has to pay 8 per cent interest upon his money or has to pay 10 per cent interest upon his money for this temporary period, because he would better pay that, or very much more than that, than to sell his crop for one-half the cost of production.

There can be no doubt, Mr. President, that when the farmer was confronted by a situation of having to sell his product, if he sold it at all, in a market which had been driven down and beaten down until it did not carry a price that would amount to one-half of the cost of production of the crop, that situation was further accentuated when the Federal Reserve Board indicated to the Federal reserve banks and to the member banks that it was undesirable that money should be lent for the purpose, as they phrased it, of withholding crops from the market.

Mr. GRONNA. They termed it speculation.

Mr. SIMMONS. Yes; they termed it speculation. There is not any question about that order being issued. There is not a Senator here from the South who did not hear of it repeatedly from the banks themselves while he was home.

Mr. SMITH of South Carolina. The flat statement was made by the officials that they would not favor any loan for the purpose of withholding commodities from the market.

Mr. SIMMONS. And the reason which they gave for that, Mr. President, was that we had just been going through an era of high prices, and that it was good policy that we should not do anything which would tend in any way to maintain prices, without any regard to the necessity, when you consider broadly the welfare of the people and the welfare of every industry in the country, of holding up the farmers' prices to a point where production hereafter would be remunerative.

I say, Mr. President, and I do not fear successful contradiction of the proposition, that if the reserve banks under this policy succeed in keeping the farmers from boosting the price of their product when it is down to the present low level and as a result the farmers are compelled to sacrifice the whole of their crops, as they have been already compelled to sacrifice a large part of them, at these unremunerative and ruinous prices, I say here that the effect of that upon agriculture will be greatly to the curtailment of the production of those crops next year. It will curtail production in this country to a point where we shall have, not a surplus to export abroad of these products, but we shall have to go into the markets of the world and buy food to feed the population of this country. That is a result, Mr. President, which I do not think we desire in this country.

Mr. McCUMBER. Mr. President, if I may be allowed to direct a question or a suggestion to the Senator from North Carolina—

Mr. GRONNA. I yield to my colleague for that purpose.

Mr. McCUMBER. The Senator realizes that the entire agricultural situation is in a state of collapse.

Mr. SIMMONS. I do.

Mr. McCUMBER. That affects the North and the South alike.

Mr. SIMMONS. Every section of the country.

Mr. McCUMBER. The crops affected, however, possibly are not the same. I vote for this proposition and support the Senator and my colleague in it because I think it does open up a hope of relief, and while my colleague says it is not expected to be a panacea for all the trouble, it is expected to be helpful. I think that is true. As the Senator has just said, his trouble lies in the fact that the farmers of the South can not export cotton, and I want to help them, under this bill, in every way to export their cotton. Our trouble is mainly that we are importing an enormous quantity of grain, and before we get through almost the entire surplus from Canada. I want to help the Senator in finding an export market for cotton, and I would really like to have him help us in keeping out this Canadian grain until we can begin to sell our own. I understand that a caucus was held on the other side of the Chamber this morning, which seems to indicate an opposition to the plan which, to me, is most feasible for the immediate relief of the grain growers. Why can not both sides of this Chamber unite, the one to help the exports, the other to stop the imports which are injuring us?

Mr. SIMMONS. Mr. President, I think the Senator is entirely wrong in saying that a caucus was held. There has been nothing like a caucus. There has been a conference of the minority members of the Committee on Finance with the members of the minority steering committee, but there has been no caucus of the Democratic membership of the Senate.

If the Senator has in his part of the country or if any other Senator has in his part of the country an agricultural situation brought about by war conditions or as an aftermath of the war, such as we have now in the South, that situation will appeal to me very strongly for relief. But if a tariff bill, covering a large number of staple agricultural products as well as a number of manufactured products, some of which are not and can not be materially affected by tariff duties and others of which do not disclose conditions which entitle them to preferential treatment in emergency conditions, I see no reason for emergency action upon these things, and I think they should await the general tariff revision which the party in power has promised in the near future.

Mr. McCUMBER. I hope the Senator will join with us to support some provision that will take care of the things that are suffering.

Mr. SIMMONS. It may be that on investigation and discussion the wheat and the wool situation may disclose a condition with respect to importations similar to that of cotton with respect to exportation and equally disastrous—and if so, as I said, emergency action looking to quick relief will appeal very strongly to me. But, as stated before, the bill, as I understand it, which has been framed by the House Committee on Ways and Means, not only covers those two products but runs the gamut of agricultural products and includes some agri-

cultural products which are not imported now as in the past but to a limited extent and, in addition, includes certain manufactured products which it is believed can present no reasonable claim for emergency consideration and treatment. If the bill comes to us in this form and contents, we certainly shall insist that it be treated as any other tariff measure is treated, and that after preliminary committee action it shall receive due consideration and discussion in the Senate.

Mr. GRONNA. Mr. President, I hope that no partisan politics will be injected into the discussion from either this side or the other. I know that my colleagues on the committee will bear testimony that, so far as I am personally concerned, I have not tried to favor any one section of the country as against another. If there ever was a time when the people of the United States ought to act as one, as a unit, and cooperate, it is now. There ought to be no "that side of the Chamber" or "this side of the Chamber" when it comes to the question of the rehabilitation and reconstruction of the terrible condition in which we have been placed—necessarily so, of course. It is a question that can not be dispensed with and will not be solved until the patriotic people of the country realize that there is no South and no North, no East and no West, but that we shall as one people cooperate for the best for all the people of our country.

I agree with my colleague as to the embargo on wheat. It would help us temporarily; at least, I believe it would. Possibly I am mistaken, but I believe it would. I believe that in the future, since my colleague has mentioned it, a protective tariff on farm products would be helpful to us, but that would not be as helpful to the people of the South, affecting cotton, as it would help us, because we are right in the jaws of a foreign country where we are competing every day with the products of that country.

We all know that our money is at a premium at the present time as compared with the money of the people of that country. Their wheat has brought the farmers of Canada a premium of from 15 to 40 cents a bushel above the price that the American farmer has been paid. Let me say to you that the Canadian farmer pays his debts just as easily with a Canadian dollar as does the American farmer with an American dollar.

That reverts right back to the statement made a few days ago by the able Senator from South Carolina [Mr. SMITH] that the effort to deflate the currency too rapidly means the destruction of certain industries. We can not destroy any industry without affecting them all. I would be just as careful about passing legislation which would destroy the great steel industry as I would legislation to destroy any other industry, because I know ultimately it would affect us all. But there is this difference. The people engaged in those industries are in control. They, to a certain extent at least, can hold off the rapid decline which has been evidenced and which is an actual fact. Cotton, wheat, wool, sheep, cattle—everything the farmer produces—has been reduced to ruinous prices. We only have to study the history of Rome and its downfall to know what it means to destroy an industry like agriculture.

I believe that one of the greatest mistakes the Congress could make would be not to make every possible agency function at this time. The War Finance Corporation is an agency through which a great deal of good can be accomplished. We know that it has at its disposal at least a billion dollars at any one time to place agricultural and other products in foreign countries. We know that its capital stock of \$500,000,000, all subscribed to by the Government of the United States, can be multiplied six times or, in other words, \$3,000,000,000 for this country. No man who has studied the condition and knows anything about it will deny the fact that it is a powerful agency for good at home and abroad.

So, Mr. President, all this talk that this is only camouflage to fool the American farmer is not true. Such statements are not founded upon facts.

Mr. KING. Mr. President—

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from North Dakota yield to the Senator from Utah?

Mr. GRONNA. Yes; with pleasure.

Mr. KING. As I understand the position of the Senator, and it seems to be the position of the Senator from North Carolina [Mr. SIMMONS], the important thing is to find a market abroad for surplus products.

Mr. GRONNA. I believe that is true.

Mr. KING. The European nations require the surplus agricultural products of the United States.

Mr. GRONNA. I will say to the Senator that they are starving to death over there in many places, as the Senator knows better than I.

Mr. KING. The point is to extend to them credit or facilities for credit so that they may purchase the surplus products of our Government?

Mr. GRONNA. Certainly.

Mr. KING. I do not say this by way of stirring up any controversy, but does not the Senator think that if we had entered into the League of Nations with proper reservations and stabilized Europe and gotten these new countries to functioning, their boundaries limited, there would have been no difficulty now, because these nations would have had credit with which to purchase the surplus products of the American farmer?

Mr. POMERENE. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Ohio?

Mr. GRONNA. Certainly.

Mr. POMERENE. Does the Senator from Utah address that question to the Senator from North Dakota or to our distinguished friend the Senator from Idaho [Mr. BORAH]?

Mr. KING. I saw the Senator from Idaho here, and I thought perhaps it would be interesting to hear his ideas on the subject.

Mr. GRONNA. So far as I am personally concerned, I wish to say, with all due respect to both Senators, that I have been trying to forget the question of the League of Nations.

Mr. BORAH. Mr. President, I only desire to say that I understand it is planned to take a holiday recess, and I do not desire to enter upon a discussion of that question previous to the holidays.

Mr. GRONNA. Mr. President, I appreciate the observation made by the distinguished Senator from Utah, but I shall not enter into that question to-day. As the Senator knows, I was opposed to the League of Nations. I was one of the irreconcilables from the beginning. Perhaps I was wrong, but I have not yet changed my opinion. I believed I was right and still believe I am right on the question.

The Senator from North Carolina [Mr. SIMMONS] has expressed better than I could the true situation as to the money stringency affecting the farmer. The question of the able Senator from Washington [Mr. POINDEXTER] directed to the Senator from North Carolina I believe can be easily answered. The farmers, especially the grain farmers, and I think it is true of the stock farmers and of the cotton farmers, can not market all their products at one time. I know from personal experience that I hustled night and day trying to get cars to ship my grain to market, and it was only with greatest difficulty that I secured a limited number of cars. As a result we were unable to bring our grain to the elevator. Unless we commenced to sell futures, which to the farmer means that he must deliver at a specific time and that he will be penalized if he does not deliver it, we were absolutely helpless. The Senator from Washington, as I understood the question, asked how could this help the farmer.

Mr. POINDEXTER. My question was whether or not there was any reasonable prospect to get a better price after the interval than he could get now, and the query was whether he would be any better off or if he would not be worse off in case he did not get a better price.

Mr. GRONNA. I do not believe the farmer would be worse off, because I stated, upon my own information, of course, and I have strived to make a study of the question, that there is a shortage of wheat throughout the world to-day. If the people of the entire world were permitted to eat three square meals a day and eat bread to the amount that we generally consume in the United States, about 5 bushels per capita, there would be a great shortage of wheat throughout the world.

Here is a crop or here are crops, because I do not wish to speak only of wheat, produced at great cost; in fact, at a cost which will only pay the labor. Then the question is asked, Why do they not sell and pay their debts? Why, the only debt that could be paid would in the majority of cases be labor. I know that is true as to grain. There has not been a bushel of wheat produced in the United States in the year 1920 which, on the average, has not cost the farmers more than \$3 a bushel, and he has to sell it to-day for from \$1.25 to possibly \$1.40.

The consumers of the cities are all the time being told, "It is the outrageously high prices of the natural products which compel you to pay such high prices for what you consume." Have Senators recently noticed any tremendous reduction in the prices of what they buy?

Mr. President, only the other night a person addressed that question to me. I saw in a store some puffed wheat on a shelf for sale. I asked the storekeeper, "What does that cost?" He told me. I bought a package and weighed it, and the price I paid for it amounted to \$56 per bushel for the wheat of which it was made. I said to him, "I sold some wheat just before I

left home for \$1.44 per bushel. Now, if I should furnish the wheat for nothing and pay for transporting it to the manufacturer, how much would it reduce to the consumer the price of this food? It would still be more than \$54 a bushel, would it not?" That is exactly the way these things work out.

Mr. KING. Will the Senator permit an interruption, though I apologize to him for it?

Mr. GRONNA. Certainly.

Mr. KING. May I inquire of the Senator whether or not it is his purpose and the purpose of other members of the committee to antagonize the motion which I have made to concur in the amendment of the other House to the joint resolution? The reason I ask the question is that a number of Senators desire to leave the Chamber, but they will remain here if there is going to be a record vote, for they are in favor of concurring in the amendment which has been made to the joint resolution by the other House. I do not want to disturb the Senator, but I merely wish to give information to other Senators.

Mr. GRONNA. I desire to say to the Senator from Utah that it has been a difficult matter for me to make up my mind what to do. I am going to do just whatever the spirit moves me to do. When I shall have finished my few remarks—and I should have done so long ago had not other Senators, to whom, of course, I was very glad to yield, interrupted me.

Mr. KING. Then I may inform other Senators that the conduct of the committee depends upon how the spirit moves the chairman of the committee?

Mr. GRONNA. I do not know how it will move the other members of the committee, for they have not as yet spoken.

Mr. President, further answering the question of the Senator from Washington [Mr. POINDEXTER], as directed to the Senator from North Carolina [Mr. SIMMONS], I believe that it is not only proper but that it is the duty and the function of Congress at this particular time to do everything it possibly can to help bridge over the situation, and to help all the people of the country, whether they are engaged in agricultural pursuits or in any other industry, to find a market for their products.

This joint resolution will do that to a limited extent—at least to the extent of a billion dollars at any one time. The Senator knows that the fund will be paid back, and that it will not be limited to a billion dollars. We may thereby do a tremendous amount of business with foreign nations. It is not only possible but it is probable that through the agency of the War Finance Corporation billions of dollars' worth of products may be exported, but it is, of course, required that the money shall be paid back at certain intervals or at stated times.

Mr. POINDEXTER. Mr. President, will the Senator permit me to interrupt him?

Mr. GRONNA. Certainly.

Mr. POINDEXTER. I am in hearty accord with the objects which the Senator has in view; I know his good faith and the good services that he is rendering the country; and I hope that the result will be as he suggests. The inquiry I made was only to elicit information.

Mr. GRONNA. I am sure of that. I know of no Senator who has been more willing to help the industry of agriculture and all other industries than has the Senator from Washington. We do not all see through the same glasses; we look at matters from a different angle at times; but I know that the Senate has not been recreant to its duties. During the present session the Senate has passed the Capper-Hersman bill, to permit farm associations to cooperate and organize for the purpose of bringing about better marketing conditions, a question which has been debated a great deal among the farmers of the country. I think the present Members of the United States Senate may say that we have done our duty. We have passed that measure, and I believe it is now in conference.

Let me say to the Senator from Washington that he wrote me a letter—I do not suppose he has as yet received my reply—in reference to the special matter referred to. The Senator from Washington, the Senator from North Carolina, and other Senators are ready to cooperate to help the farmers. We have felt that we were willing to amend the Sherman antitrust law. We are willing to say that it shall not be unlawful for the farmers throughout the United States to get together and organize and cooperate for the betterment of their conditions and ultimately for the betterment of the condition of the consumers.

Mr. POINDEXTER. For the benefit of the whole country.

Mr. GRONNA. For the benefit of the whole country.

Mr. POINDEXTER. I think that the Senator from North Dakota has rendered a great service, in his capacity as chairman of the Committee on Agriculture, by promoting the consideration and forwarding the passage of the measure to which he has just referred. I have not the slightest doubt that enormous

benefits will come to the agricultural classes of this country from the Capper bill. There has been some reference made to the charge that it gives especial exemption to the agricultural classes from the effects of the Sherman antitrust law. As I have examined the bill and listened to the debates on the subject, it seems to me that the only thing in that respect which the measure does is more specifically to define the limitations upon the formation of combinations in the case of farmers' cooperative societies than did the Sherman antitrust law. The Sherman antitrust law, as construed by the Supreme Court, applied the rule that there should be no undue or unreasonable restraint of commerce. The Capper bill, which was passed in the Senate the other day, applies a more definite and specific rule to farmers' cooperative associations in that it provides that they shall not be unlawful unless they enhance the price of the commodity.

Mr. KING. Or lessen competition.

Mr. POINDEXTER. My understanding was that it was confined to the enhancement of the prices; but even if the additional phrase is incorporated in some parts of the measure that still will be more specific than the general rule of reasonable or undue restraint of trade, which is a matter that varies with every tribunal which has to define it.

Passing from that matter, I wish to ask the Senator from North Dakota a question with regard to that feature of the pending legislation to which he has just now alluded, namely, reviving the War Finance Corporation. Can the Senator point out anything in the act creating the War Finance Corporation giving them any powers that they could utilize in the present emergency? My understanding of the act creating that corporation is that it was a war measure; that the powers conferred upon the corporation, certainly in so far as any individual was concerned, were limited to the aid of an industry which was essential to the carrying on of the war. If there is anything other than that in the law that would enable them in time of peace to come to the aid of the farmers I have not been able to discover it.

Mr. GRONNA. Mr. President, I will say to the Senator that is true so far as the original act is concerned, but the act of March 3, 1919, provides specifically that the War Finance Board may sell bonds not exceeding a billion dollars at any one time to be used to aid the sale of products in foreign countries; and, being a farmer, there is not any doubt in my mind that the War Finance Corporation will absolutely have such power up to the time that the war period shall have expired; and it is specifically stated in the law that it shall not expire until 12 months from the time that the President of the United States shall officially announce that we are at peace. So there can be no question about the power of the War Finance Corporation.

Mr. President, the War Finance Corporation act was passed as an emergency measure. It was passed for the purpose of aiding anyone engaged in the industries necessary to successfully prosecute the war. When Congress passed this law it had in mind the necessity of permitting it to function not only during the period of the war but 12 months after peace had actually been declared, and it is specifically stated in the law that this time should begin after the termination of the war, and that the date of such termination should be fixed by proclamation of the President of the United States.

Everyone knows that the services of the War Finance Corporation could be more helpful in the crisis which would necessarily follow the termination of a tremendous war, and at the beginning of the rehabilitation period it could do more and better service in helping all the industries in disposing of surplus stocks of products, thereby substantially stabilizing the markets. We know that during the period of actual war there was demand for all of our products, and it was not as important for this board to function then as it is now, when there are no funds for the purchase of any of our products, and I might say when there is no market except a very demoralized market.

To say that the setting aside of \$500,000,000 by the Government of the United States will unduly burden the Treasury of the United States, when it is possible for this corporation to function and give relief in a small way at least to every industry, can not be substantiated by facts. Outside of this half a billion dollars, the law specifically provides in section 17 "that the United States shall not be liable for the payment of any bond or other obligation or the interest thereon issued or incurred by the corporation, nor shall it incur any liability in respect of any act or omission of the corporation."

So that the United States is not legally liable for the payment of any of these bonds. We only grant the privilege to this corporation to issue its bonds without being taxed, which makes the bonds attractive, and this was absolutely necessary in order to dispose of them to the people of our own country.

If there ever was an emergency existing, it exists to-day, and we can not accept the argument that the joint resolution should not pass because this is not a complete remedy. We all know that it will not give complete relief to those who are in financial distress, but it is a measure which will give some relief; it is an instrumentality through which relief can and will be given to those who need financial aid; it is one of the bricks to be used in the structure, and it is the foundation brick. Those who make objection to this measure because it will inflate the currency should remember that we are practically the only nation on this globe whose currency is at par, and we must not overlook the fact that it is as important to protect the people who are engaged in our industries as it is to jealously guard the parity of the American dollar.

This is only the beginning of a great reconstruction scheme, and if we are ever to do business with the people of middle Europe we are in a position to extend credit, and if the Allies of Europe want us to extend that credit it is for them to say so; but America, in order to extend that credit, must have a first lien or a first mortgage upon the assets and revenues of the people of those countries.

I realize that the passage of this joint resolution is no cure-all for all the financial ills confronting us at the present time. However, I believe that if this resolution is passed, so that the War Finance Corporation may begin to function, it will be helpful in many ways, and especially can it be helpful in disposing of our surplus products in the markets of foreign countries.

I trust that no Senator will consider that the reviving of the Finance Corporation will add any additional burdens upon the Treasury of the United States, because that is one of the things we are seeking to avoid in passing this joint resolution.

I assume that we are all familiar with the provisions of the War Finance Corporation act. Section 2 of that act provides that the capital stock of the corporation shall be \$500,000,000, all of which shall be subscribed by the United States of America. It can issue certificates of indebtedness to six times its capital stock. The management of the corporation is vested in a board of directors consisting of the Secretary of the Treasury, who shall be chairman of the board, and four other persons to be appointed by the President of the United States, by and with the advice and consent of the Senate. The corporation is given a wide latitude in the transaction of its business.

I shall not take the time of the Senate to enumerate the powers of this corporation, because the Senator from Georgia [Mr. SMITH] gave a most complete analysis of its powers and its operations. I will simply say that it would be an agency or an instrumentality through which business transactions touching all kinds of business could and should be transacted. I think we all realize that an injury done to any industry, whether it is the manufacturing industry, agricultural industry, or any other industry, will seriously affect all industries. I think, therefore, it is our duty to do what we can to meet this financial crisis, which can be met, but which can only be overcome by the patriotic cooperation of all the American people. We are all jealous of maintaining the American dollar at par, but a too rapid deflation at a time when our Government, as well as individual citizens, are burdened with tremendous debts is destructive of all business. We should and must realize that we should make haste slowly, so that it will not too seriously affect the orderly marketing of our products.

We have listened to the statements of high-class representative men engaged in the leading industries of agriculture in our country. All these industries are in a deplorable financial condition, and the least thing we can do is to be helpful in any and every possible way to give to those engaged in any American industry all the relief at our command.

There are countries in Europe to-day where the people are starving for the want of food. There are people in foreign lands who are not properly fed and not properly clothed. We have plenty of all these products; not only have we plenty, but we have a large surplus; and it seems to me that there ought to be enough American genius to devise some method whereby these people who are suffering from hunger and cold may be supplied with the necessities which we possess in such great abundance, and thereby give relief to those unfortunate people, and at the same time remedy the financial distress which exists among our own people.

Mr. President, this is no time for any American citizen who wants to be known as a patriot to transact business simply to fill his own pockets. The day of quick returns and large profits has passed. The values of certain commodities have shrunk from an abnormally high value to almost nothing. Let me say, Mr. President, that it has been estimated—it is, of course,

only an estimate—that the values of agricultural products have shrunk since the beginning of this year more than \$5,000,000,000. In the face of that, how can we expect anything else than that a deplorable condition should exist in the rural sections of the country? This is especially true with reference to products of the farm, and the products of those who are unorganized; and it is the duty of every true American to help to the utmost of his ability to rehabilitate and to stabilize market values in all lines of industries without attempting to force abnormal gains or profits. It is as important to-day as it was when our boys were on the fields of France to sacrifice our own interests and to work for the benefit of the people of our country. In that way only can we escape the dangers and the difficulties which we must face.

This is no time for any true American to work for himself alone. This is no time for any true American citizen to bear upon the prejudice of the American people, but we must frankly and fearlessly face the situation as it is. The ship of state can not escape passing through this financial Charybdis and Scylla, but we must have pilots who both know how and are willing to save the ship. If we remain true patriots we can weather the storm, and we can overcome the difficulties staring us in our faces to-day, but it can only be done through cooperation.

CONFIRMATION OF HON. JOHN F. NUGENT.

Mr. BORAH. Mr. President, I move, as in open executive session, that the nomination of my colleague, Hon. JOHN F. NUGENT, be laid before the Senate for confirmation.

The PRESIDING OFFICER. The Senator from Idaho moves, as in open executive session, that the Senate consider the following nomination from the President of the United States, which the Chair lays before the Senate. Is there objection to the procedure?

Mr. GRONNA. Let the nomination be read.

The reading clerk read as follows:

JOHN F. NUGENT, of Boise, Idaho, to be a member of the Federal Trade Commission for a term of seven years, vice William B. Colver, term expired.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? There being none, Shall the nomination be confirmed? If there be no objection, the nomination will be confirmed. It is so ordered, in the absence of objection, and the President will be notified.

FINANCING OF AGRICULTURAL OPERATIONS.

The Senate resumed the consideration of the amendments of the House of Representatives to the joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

Mr. SMITH of South Carolina. Mr. President, I am somewhat disappointed that the action of the other part of our legislative machinery did not see fit to incorporate section 2 in the joint resolution. I did not look for any great change of policy of the Federal Reserve Board in its announced intention to contract and deflate the currency, but I did look for a re-establishment of confidence among the business people and the people at large if Congress should serve notice on those charged with the administration of the laws that we passed that they should be so administered as to conserve the best interests of this country, and that the great agricultural industry of this country, upon which everything else rests, should be the first consideration of this body.

We speak about our export trade being restricted. Why should it not be restricted? Why should not our domestic commerce be restricted? In fact, Mr. President, the collapse that has come is the natural, logical result of the action of our officials in charge of the Federal Reserve Board and of the Treasury.

Now, just let me put a common-sense statement to this body.

If you were engaged in the export business, or if you were engaged in a domestic business, and those having charge of the machinery of exchange, those whom the Federal reserve act has made responsible for the banking conditions of this country, were to let it be known that rigid restriction and deflation was what they were going to insist upon and demand as far as the law allowed them to demand it—and let me say just here that a careful reading of that act will show that practically the banking interests of America are in the hands of the board of governors—what would this exporter do; what would your domestic merchant or your domestic business man do? Why, knowing that there was to be this curtailment and restriction, he would begin to get out of the market, in order that he might not be caught with a thing of inflated value as compared with the deflation that would immediately and subsequently follow.

Everybody knows that everything moves along the line of least resistance; and when this order went out to the banks that there must be a curtailment, there must be a restriction of credit, the local banks, both the members of the Federal Reserve System and the State banks, would naturally restrict on those things that were weakest; and what paper is the most notoriously weak from a banker's standpoint?

It is the paper held by the farmer, who has no other resources than the commodity he has hypothecated; and the result was that this great, unorganized, heterogeneous mass, the aggregate of whose efforts means the bread and meat that you and I eat and the clothes that we wear, were necessarily those who felt the radical and destructive precipitation of a drop in price. We sit here and discuss the farmers of this country, but only the smallest number of us have any realizing sense of the conditions under which they must labor and the conditions under which they sell their products.

I want to repeat that the condition existing now is practically altogether the result of the word that was sent forth that there must be deflation and there must be contraction. If you will take the exports that ran along, even in farm products, up until the time that it came to be assured that this deflation and contraction and withholding of credit was going to be a fact, you will find that there was scarcely any diminution whatever in the export of these articles; but when it was found to be a fact that there was a rigid attempt to restrict these credits, as a matter of course it began to affect the exports. Are we to assume that the business men of the Old World, war-worn and demoralized as they are, would not take advantage of a falling market in America to withhold their purchases as an American would withhold them? Is it not reasonable to assume that those who have been importing our goods into the Old World, having understood that the policy of this Government was to reduce prices, would order no further imports until the bottom was touched, or at least would only put in their orders for such things as absolute necessity required them to order? So the dearth of orders for export naturally comes from the same thing that has destroyed the American market—that those who hold the lifeblood of commerce in their hands are crying "deflation, contraction," and as a result we have collapse.

The facilities for transportation and communication in modern business are so perfect that the European importer of American products is as thoroughly posted minute by minute, as to the conditions existing here, as we are ourselves, and the consequence of this unfortunate attitude has been to destroy the foreign market, as well as the domestic market, and my hope was that if the Congress of the United States, recognizing the conditions, as we must recognize them, would, by an act on its part, without amending the law, serve notice on these officials that these drastic measures were not in keeping with the sentiments of this body, it would tend to restore confidence. For that reason I hoped that the second section of the joint resolution would be agreed to.

Mr. President, it is useless for me to stand here and reiterate what I have said about the conditions under which the farmer produces and sells, as compared with the conditions under which the manufacturer produces and sells.

I took occasion the other day in a speech to analyze that difference, and it seems as if the press and—I see by an article appearing in one of my own State papers—my colleague m's-apprehended the position I took. I said, in effect, that the manufacturers of cotton goods, both North and South, have not reduced the price of their finished product, according to the information I had, commensurate with the drop in the price of the raw material out of which they made the finished product; and that if they had not, then they were making the same percentage of profit, or perhaps greater, than they did when they were paying the peak prices for the raw material; going upon this process of reasoning, that if I buy a given product at 40 cents a pound and make two to three hundred per cent, and the raw product drops to 20 cents a pound, or 50 per cent of its value, and the manufactured article drops 33½ per cent, I make a greater profit than I did when I was paying 40 cents.

But let us grant for the sake of the argument that the price of the finished product drops the same as the raw material did, and both of them were standing relatively the same, then the profit that was made was just as great as it was before. I was not adversely criticizing the manufacturer; I was simply showing that the conditions under which he produced and sold put him in a position where he could protect himself, while the farmer was in no such position.

I am just as proud of the development of the cotton-manufacturing industries in my State as any man may be; but I am not, because of that, going to lose sight of the fact that the manufacturer is an artificial body, producing its own artificial laws

and governing its own market to a large extent, while the farmer is a natural producer, the natural man using the natural soil, subject to the law of nature, over which he has no control and can have no control.

And just here I want to use an illustration. When the cotton manufacturer sells a bill of goods he figures out what his profits will be on those goods at that day's market. Under the system of what is known as "hedging" on the cotton exchange he is insured against loss. I sell a bill of goods, agree with the purchaser at a certain price based on the price of cotton then quoted on the board—let us say 15 cents. I figure a profit to myself, as the manufacturer, based on that current price to-day of 15 cents a pound. I immediately buy a contract that would call for as much cotton as would be used in the manufacture of the goods. Suppose cotton goes up a cent a pound before I get ready to buy the actual cotton to convert it into cloth, or \$5 a bale. The raw material out of which I am to manufacture these goods likewise has gone up a cent a pound. I have made 1 cent on the board, because I bought at 15 and it is now 16, and the party selling me that contract is indebted to me \$5 a bale more on every bale than he was when I bought.

I do not call him for the cotton but cancel my contract—buy the cotton in the open market at the price of 16 cents. I pay 15, and he owes me 1, the margin, so that the cotton costs me 15 cents. New York paid 1, I bought it for 16, discounted it, and therefore I got my cotton at 15 and get the profit I had on the original bargain.

Let us suppose it goes down a cent a pound, or is 14 cents. Then I have lost \$5 in New York. But I get my cotton a cent cheaper, and in buying it a cent cheaper I have discounted the loss of the \$5, and it has just cost me 15 cents. I pay New York a cent a pound; I pay the other man 14; 14 plus 1 is 15; so that if it goes up or goes down I am absolutely protected in the profits that I have in goods. I hope that those who are here understand what they call a hedge. It is an insurance against loss.

When I have bought this contract and sold these goods for some future day's delivery, I am then absolutely indifferent, in a manner, to what the market price of such cotton is, because I have hedged my spot purchases, and whatever day I see fit to go and buy the raw material I am protected by the hedge. Therefore a manufacturer of goods out of the raw material is in a position to protect and guarantee his profits or shut down his mill and quit, whereas where would the man who plants a crop hedge, and what would he hedge on? The ordinary farmer would not dare sell a bill for the delivery of cotton of any grade or any quantity, because, when he puts the seed in the ground and begins the cultivation of it, the quantity and the quality of it are beyond him. If seasons are bad and he makes a half crop, he can not fill the order. If the seasons are good, so far as production is concerned, it is subject to the weather, and he can not guarantee the quality. So that he is absolutely without any protection whatever.

Not only that; he has no reserve capital by which he can combine with his fellows and tide over a disaster such as now confronts us. Sixty per cent of the American cotton crop is made by the tenant who works on the share system, and whose bread and meat from day to day is gotten by his promise to deliver what cotton he produces, or a sufficient amount to meet his living expenses of that year. And to stand here and talk about the farmer taking his medicine along with other people, with a deflated and contracted currency, is the same as tying the fodder at the top of a tree and telling the mule to come and get it.

I had hoped that this body, recognizing the radical difference between the natural producer, the farmer producer, and the artificial producer, the manufacturer, would serve notice that we propose that the Federal Reserve Board, and every other agency that could, should aid and assist him in getting at least the cost of production.

Now, to refer once again to the misapprehension as to my position, I see by the article of my colleague, to which I referred, that he claims that no such percentage of profit was made, and explains that stock dividends are not in the form of profits, but a distribution of the liabilities of the concern. Some people very close to me have been the beneficiaries of stock dividends, and they now own about twice as much stock as they did before without paying a dollar for it, and that stock is at par, so that if you had \$1 of stock before you have \$2 now. If that is not profit, I would like for some one who is well versed in what stock dividends mean to explain. I will say that this individual is very close to me. Under the decision of the court stock dividends, being a liability on the part of the concern issuing them, do not come under certain forms of taxation.

If the courts of my land say that is all right and the manufacturer says it is all right, I say amen, let it be all right. But I say the farmer does not have any stock dividends. He is not an unnatural or an artificial corporate body. He is bone and sinew, the man with the hoe, out in the field, struggling to get to a point where he can live decently and have some hope and aspiration for the future. He does not need any law of incorporation; he does not have to come to his Government and ask for the privilege of going out and tilling the field. That is recognized as his birthright. It is also recognized as his birthright that he must bear the burden of the whole superstructure of organized society without enjoying the wealth he helps produce.

I drew no insidious distinction; I had no criticism to make of the mills of my country, either North or South. But I was showing how those who have been converting the raw material of cotton could protect themselves and did protect themselves against such a cataclysm as has now occurred, while the defenseless individual in the field was without any means of retrenchment. I do claim and do reiterate that declaring stock dividends is tantamount to passing on to the stockholders their profits in another form.

Mr. President, I hope that the cotton manufacturers of my State and of the East can make all the money they desire to make; but in making it I hope they will cooperate with the man upon whom they are dependent for the raw material, helping him to make his legitimate profit. I believe the mills of my State have largely sympathized with the conditions under which the farmers have had to produce, and I have almost come to the conclusion, Mr. President, that our exchanges, stock, grain, and textile, will have to be more rigidly governed, or taxed out of existence—dealing in what they never own and never produce, taking advantage of unfortunate conditions to make fortunes out of a depressed market, or in other unfortunate conditions to make fortunes out of a market that is too inflated.

Now, my attention was called to another misapprehension or another erroneous report which went out. I want it distinctly understood that I am not apologizing in any way, shape, or form for the speech I made. It was simply a comparison of conditions under which the natural producers produce and the artificial producers produce. But I wish to call attention to another statement that was involved in the report that went to the press, which was that I said that the manufacturers had not reduced the prices of their finished product nor wages.

I never mentioned wages. That is a question for them to decide. The question of lowering their prices was a question for them to decide. I referred to the prices as the reports were given me, but I did not refer to the wages which they were paying.

I have asked the departments of the Government to furnish me an official statement of the profits which the mills, North and South, made during the years 1917, 1918, 1919, and as far in 1920 as it is possible for them to obtain them, and they are now in process of being formulated so I may use them. Then there will be no guesswork about it. It will be an official statement as to what profits they did make.

In referring to the resolution that is now before us, I think, in view of the exigencies of the case and the necessity for some action, that perhaps it would be better for us to accept the matter as it comes over from the House. I am sorry that the direction could not have been given to the Federal Reserve Board that we, the Congress of the United States, desire to reinspire confidence in a demoralized business world; that we recognize that there are resources enough in this country and wealth enough for us to furnish a market to consume that which we produce at a proper and reasonable profit to those of us who produce it; and that there is no rhyme or reason in this condition of affairs existing with the bountiful crops that we have made and the demand that is evident in the Old World and the new.

I sincerely hope that if the passage of the joint resolution directing the rehabilitation of the War Finance Corporation does nothing else it will serve notice on the public that the American Congress is in sympathy with those who produce the wealth of the country and does not propose to sit idly by and see them sacrificed. We are still the lawmaking body, thank God, and it is our duty to enforce the laws we have made.

The Federal reserve act, if the joint resolution is passed, will have the effect of meeting conditions right now that exist. But we have made a Frankenstein which has destroyed us up to the present. Just to reverse the order of things, I say that the great, wonderful system that financed the world during the greatest war the world ever saw, that financed Europe, and caused our business to proceed without there being a single

bank failure in America in 1919, while in 1920 they have multiplied beyond what the public is aware of—I say to-day that the system which could withstand the shock of war and the drafts upon the resources of the country such as were never dreamed of, certainly can withstand the strain necessary to give a profitable price to those who have produced actual wealth and now offer it to a starving and naked world.

Is it not peculiar that in the spring when the farmer comes to make his crop he can get all the credit he wants to make the crop, a thing that is not in existence, a thing dependent upon season; but when he gets the crop, when he has an actual commercial asset in his hands, he is denied credit when he has something that is actually tangible and salable. Why should we then, when his crop is made, deny him credit, destroy his profit, and perhaps ruin him? Of course, this is done because he is unable to protect himself. They can make money more easily out of him than they can out of anybody else, and that is the situation.

So far as I am concerned, as a member of the Committee on Agriculture and Forestry, with great reluctance I shall vote to accept the action of the House upon the joint resolution.

During the speech of Mr. SMITH of South Carolina,

The PRESIDING OFFICER. The Senator will kindly suspend at this point while the Chair lays before the Senate the unfinished business, which will be stated.

The ASSISTANT SECRETARY. A bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production; and for other purposes.

Mr. SMITH of South Carolina. I ask that the bill be temporarily laid aside.

The PRESIDING OFFICER. The Senator from South Carolina asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection? There being none, it is so ordered.

After the speech of Mr. SMITH of South Carolina,

Mr. SMITH of Georgia. Mr. President, I shall vote to accept the amendments of the House, not because I think the Federal Reserve Board has met in the proper way the responsibilities that have rested upon it during the past few months. On the contrary, I do not. I vote to accept it because it is so important that at once the War Finance Corporation should resume operations.

The value of the operations of that corporation will depend upon the character of men the President appoints to take charge of the work and the spirit in which they perform their duties. If the President gives us broad-minded men, with vision, with knowledge of foreign conditions, and with a desire to really serve their own country, that board can do much toward furnishing markets for our raw materials absolutely necessary to the rehabilitation of central Europe.

As I said when the resolution was considered before in this body, I regard the rehabilitation industrially of central Europe essential to a sound financial and economical condition of the world over. There are people willing to work in central Europe who are without the raw material, and industries without the finances necessary to buy that raw material. The reparations commission is preparing to fix the indemnity for Germany, and I hope it will soon reach a conclusion. I hope also that, recognizing the necessity for the acquirement of raw material in middle Europe to produce something with which to meet the indemnity Germany must pay, a concession will be made, and a privilege given to make purchases of raw material, with an obligation to pay for raw material superior to the obligation carried by the indemnity. With this done, a broad field at once is opened for the sale of our raw material into middle Europe, but it must be on long time, time longer than exporters are prepared to give, time longer than banks normally give.

The War Finance Corporation was furnished, under section 23 of the act adopted March 3, 1919, with power to meet this situation in the interest of our own country, and some who supported it were moved by a desire to serve those in distress who had been but a short time ago our opponents in battle. The war being over, there were some even who were willing to aid a fallen foe.

So I have great hope for what the War Finance Corporation can accomplish. I do not mean that it can relieve the entire economic troubles in our country, but it can substantially help if men with vision and a proper spirit take charge of and handle the work. There can be a set of men put in charge who could nullify its powers and do nothing. Its usefulness will depend solely upon the character of men charged with the execution of

its responsibilities, and if it fails to do substantial good it will fail on account of the lack of proper men in charge of its work.

I wish to come to the second section, which I agreed to abandon, it having been stricken out by the House. In voting to abandon it I do not mean to express an approval of the course which has been pursued by the Federal Reserve Board. I do not approve it. I do not think it has been wise. I think in a number of ways it has been unwise. Instead of moving aggressively last year to check soaring prices, in my opinion they have waited until the peak was reached and prices were going downhill, and then the action of the board was such that they might go more rapidly downhill. The kick should have been against soaring prices. The help should have been to check the downhill progress.

It has been said that they have done nothing to depress prices upon farm products. Everything that has come from the Treasury and from this board has been hostile in spirit to credits upon staple agricultural products. The spirit which should have gone from that board has not encouraged member banks to aid. I will name one particular thing that they did, injurious to the handling of farm and other products.

Since the organization of the Federal Reserve Board, until this fall, factors' papers have been subject to rediscount in the regional banks. But this year the Federal Reserve Board formally decided that factors' paper could not be rediscounted under the Federal reserve act and forbade the further discounting in the regional banks of factors' paper. I submit that the opinion rendered holding that under the act factors' paper could not be rediscounted in regional banks adds no credit to the legal acumen of whoever advised them. If I had had a law clerk in my office when I practiced law who rendered that opinion I would have advised him to go back to law school.

What is a factor? There are woolen factors; there are factors handling various classes of manufactured products; there are cotton factors. I am perhaps more familiar with the cotton factor than I am with any other class of factors, but to an extent they all largely engage in the same general line of work. I will describe the cotton factor very briefly. The cotton factor is a man, as a rule, who is located at some distributing point, to whom the farmers ship their cotton. This is usually done by the small farmers, the quantity shipped by each producer being usually quite small. The cotton factor frequently advances money to the farmer to pick his cotton and to gin it, and he usually pays the freight on the cotton to the warehouse, where it is accumulated. There he has it classified and put into better shape for the market.

The advances which he makes are a mere incident to his business, in order to help prepare the cotton for the market. He makes his profit from the sale of the product. His business is that of a salesman; his advances are not merely investments, but are principally an incident to his business.

The paper of cotton factors is for advances made to men who raise cotton, to help gather the crop, to gin the cotton, and usually to help ship the cotton into the distributing point, and there to classify it and put it in shape, where an order for 100 bales, say, of a particular kind of cotton may be taken from the various characters of cotton shipped into the warehouse. By this means the cotton can be furnished to spinners of the exact character they require, and a market is thus readily obtained. The Federal Reserve Board held that the note of such a factor, given for money advanced to his clients, the raisers of cotton for the production and preparation of the crop, and secured by warehouse receipts for cotton, was not eligible for rediscount in a regional bank. In order to render this decision they violated three provisions of the act; they twice interpolated words, and in the third instance struck out a word; otherwise they could not have given such a meaning to the act. They did it after five years they had allowed the rediscount of such paper; but this fall they discontinued doing so.

Now, let us see what the act says. The language is:

Any Federal reserve bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions—

That is the most restrictive language in the act, but lest the transaction should be entirely limited to commercial transactions there is further language of explanation. The act continues:

That is, notes, drafts, and bills of exchanges, issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes—

Admitting that the proceeds of the notes of cotton factors were used for agricultural purposes, what has the board done? They say that the act means that only the farmer himself who uses the money can discount his note, but that the factor who advances the money for agricultural purposes, where the money is used for agricultural purposes, can not do it. They interpolate words that are not in the statute and limit it to the original

farmer when the language does not at all limit it to the man who cultivated the soil. Again the act goes on to say:

Nothing in this act contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise, from being eligible for such discount.

Lest the language could be misunderstood, the act goes further, as I have just read, and states that nothing in the act must be construed to prevent the rediscount of paper secured by staple agricultural products, and so forth. The factors' paper was secured by agricultural products, and the money went to help make the crop and to put the crop in shape for the market.

What did the Federal Reserve Board say? They said the word "such" related back to commercial and required the transaction to be a commercial one; that the language of amplification was nullified by the word "such," when the act said:

Nothing in this act contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise.

They held that it did not mean what it said, because the word "such" related back to "commercial," and although secured as required by staple agricultural products, the board did not consider it a commercial transaction and decided that the paper could not be rediscounted. Let me read the next clause, which they misconstrued:

But such definition shall not include notes, drafts, or bills covering merely investments.

When they came to that they said it was an investment; they eliminated the word "merely"; they said it was investment paper; they struck out the word "merely" in their construction and said, as there was an element of investment, the paper could not be rediscounted.

I say, Mr. President, that the opinion rendered by the board was not creditable to it, especially in view of the fact that for five years they had been rediscounting factors' paper.

I do not know whether or not they have applied their ruling to woolen factors. I have recently heard evidence about the wool business which indicates that factors handle wool; factors certainly handle manufactured products, but, so far as I know, the board has only applied the ruling to cotton factors. They have simply utterly misinterpreted the act to carry out. I will not say a forced construction, but an impossible construction, to cut off the rediscount privilege of a particular class of men who handle at least one-third of the entire cotton crop, gathering it at New Orleans, Memphis, Savannah, Galveston, and other places, putting it in warehouses, and classifying it so that it becomes suited for market and so that an order for a hundred bales of a specific character of cotton can be filled, although no one individual farmer could fill it. The individual farmer's cotton is of different grades, yet by collecting a large amount of cotton in their warehouses any particular grade can be selected by the factors out of their clients' goods in their control and put upon the market.

I only rose to say that I shall agree to the House amendment, because I think it very important at once to put in operation the War Finance Corporation and give it a chance properly to operate. I was unwilling, however, to cast my vote accepting the House amendment without expressing myself briefly with regard to the Federal Reserve Board. I think that the Federal Reserve Board ought to reduce the rate of interest. The Senator from North Dakota referred to 8 per cent charged on farmers' notes. In many sections the rate of rediscount in the regional banks is 7 per cent, so that 8 per cent is as little as it was possible to charge in handling paper going out from the member banks. I believe if they would reduce the rate of interest to 4 or 5 per cent it would have a most wholesome effect. I think they ought to change their policy, let the member banks understand that the spirit of the Federal reserve act is not to-day being properly executed, and liberalize their credit to help the agricultural interests of this country at this time to enable farmers to sell in an orderly way, but not to aid them to hoard. I utterly repudiate the suggestion that a farmer who raises wheat that must be eaten during a 12 months' period, and who undertakes to hold his wheat and sell it by degrees is hoarding. What would the speculator do if the farmer were obliged to sell it all at once? He would keep it and sell it along through the 12 months' period. How much better it is for the man who produces it to be able to keep it and sell it month by month as the consumer needs it. It is better for the consumer as well as for the farmer. The suggestion that for a farmer to hold a crop maturing only once a year and sell it along during the year as the ultimate consumer needs it is hoarding or speculating is a suggestion which I utterly resent. It lacks intelligence; it lacks vision. May the time come, in part as a result of the bill we agreed to last

week, when by farm organizations and farm cooperation the tiller of the soil shall be in a position to market his crop slowly, to market it to the consumer in order that the consumer as well as the producer may avoid the speculative treatment of farm products by middlemen. Such a condition will bring down the price to the consumer, while it will improve the price to the producer, and anyone with a proper knowledge of conditions should be glad to contribute to bring about so desirable a result.

Mr. HEFLIN. Mr. President, I shall consume only a very short time. I am very anxious to have this joint resolution voted upon.

I am heartily in favor of the legislation proposed. I regret the fact that the House has seen fit to strike out section 2, but I believe that so much good will come from the reinstatement of the War Finance Corporation that I am willing to go ahead with this legislation and wait until after the holidays, when, if necessary, we can introduce another joint resolution directing the Federal Reserve Board to do just what we desire done in regard to giving aid to agriculture.

Mr. President, the Federal Reserve Board is not the only board that deserves criticism with regard to its conduct toward agriculture. I desire to bring to the attention of the Senate a matter of great interest to the cotton-growing States and to the public generally.

Last week in this city the Board of Crop Estimates made public its estimate of the cotton crop of the United States for 1920. Knowing, as I do, that the present cotton crop is the fifth successive small crop produced in the United States, I was utterly astounded at the crop board's estimate of the cotton crop of 1920. The board estimated this year's cotton crop to be 12,987,000 bales. These figures do such violence to the facts, and are so at variance with the truth as to the amount of cotton produced this year, that I felt it my duty to challenge their correctness, and to give to the Senate and the country facts and figures that sustain my contention.

Mr. President, I contend that the Board of Crop Estimates has overestimated the present cotton crop by at least 1,250,000 bales. We had ginned to December 1 of this year 10,144,000 bales. In two other crop years within the last ten—to wit, 1910 and 1916—we ginned approximately the same amount as that ginned to December 1, 1920. In 1910 we had ginned to December 1 10,139,000 bales, and there remained of that crop to be ginned after that date 1,428,000 bales. The amount of cotton produced that year was 11,567,000 bales. In 1916 we had ginned to December 1 10,352,000 bales, and there remained to be ginned after that date 1,011,000 bales. The amount of cotton produced that year was 11,363,000 bales.

It will be seen from these figures that in the other two crop years in which the amount ginned to December 1 was around 10,000,000 bales, the amount remaining to be ginned in both of those years after December 1 was less than 1,500,000 bales.

If we should add to the amount of 10,144,000 bales ginned to December 1 of this year 1,500,000 bales—the amount, we will say, that remained to be ginned after December 1—we will have a crop of 11,644,000 bales. This amount falls short of the crop board's estimate of this year's cotton crop by 1,343,000 bales.

In 1914, when we produced 16,000,000 bales of cotton, the largest crop ever produced in the United States, we had ginned to December 1 of that year 3,024,000 bales more than we ginned to December 1 this year, and there remained to be ginned of that bumper crop after December 1, 1914, 2,832,000 bales. These figures constitute the largest number of bales ever gathered and ginned during that period in any one year; and yet, in order to reach the crop board's estimate of the cotton crop for this year, we would have to gin more cotton between December 1 and the end of the season than we did for the same period in 1914, when we produced the largest crop of cotton ever produced in the United States.

The average amount of cotton ginned for the last five years after December 1 was 1,745,000 bales. If we should add that amount to the 10,144,000 bales ginned to December 1 of this year, we have 11,889,000 bales. This amount is 1,098,000 bales less than the crop board's estimate of this year's cotton crop.

The warm and dry fall season of 1920 has been more favorable for the early opening and gathering of cotton than any year within the last 10, and the present crop was more nearly gathered and ginned by December 1 of this year than has been the case in any other crop year within my knowledge.

I am confident that the final ginner's report will show that the Board of Crop Estimates has overestimated the 1920 cotton crop by between 1,250,000 and 1,500,000 bales.

Mr. HARRIS. Mr. President, I am going to vote to concur in the House amendment for two reasons.

In the first place the distressed condition of the farmers of the country is such that if we are going to give them help we ought to do it without delay.

In the second place, the second section suggests to the Federal Reserve Board that they help the farmers in a certain way. The record of the Federal Reserve Board, as made in the past few months, in regard to farmers shows that they are not going to help the farmers, but they are in the exercise of their powers going to do everything in their power to hurt the farmers.

The other day, when this joint resolution was before the Senate, I offered an amendment making the rate of rediscount 5 per cent on agricultural paper, but the Senate saw fit to vote that down. I had previously introduced in the Senate a bill to reduce the rediscount rate on agricultural paper to 5 per cent. Since that time it seems that the Federal Reserve Board has inspired two statements which have been given to the papers and have gone all over the country. One was that if Congress made any suggestions like this the members of the Federal Reserve Board would resign; and the other was that the rediscount rate had nothing to do with helping the farmers of the country at this time.

Now, Mr. President, so far as I am concerned, if some of the members of that board who have been giving statements to the press that depressed the price of cotton and wheat and doing everything they could to injure the farmers of this country would resign I would be very thankful.

I will go beyond that, and say that if the friends of the farmers in this body will join with me, we will not allow to be confirmed any member of that board who has been against helping the farming interests of this country in times of such distress, and we will not wait for their resignation.

The Federal reserve bank act is one of the greatest in our history; there is nothing that has accomplished greater good. The New York bankers, the international bankers, as the senior Senator from Idaho [Mr. BORAH] said the other day, seem to have the ear of some of the Federal reserve bank officials more than the farmers of this country, and I agree with him fully in that. The bankers who are opposed to this legislation can destroy it by getting the ear of men on that board who will listen to them instead of the appeals of the representatives of the farmers of this country. That is the best way for the international bankers of this country to have the Federal reserve act repealed or amended so as to destroy its usefulness to the people of this country and to the agricultural masses who are so much in need of assistance at this time.

Mr. THOMAS. Mr. President, I shall detain the Senate but a moment.

Although I have not been present all the time, I have not observed in the discussion of this measure any word of commendation of the action of the House. I desire, therefore, before the vote is taken to express my unqualified approval of its action, first, in eliminating a preamble which I do not think is warranted by the facts; and, second, in eliminating the second section of the bill.

I shall, therefore, vote for it most heartily.

Mr. KING. Mr. President, when this bill was before the Senate a few days ago I did not detain the Senate by any discussion of its provisions, nor is it my intention to discuss it at any length at this time. I am prompted to make a few remarks because of the statements just made by the junior Senator from Georgia [Mr. HARRIS]. I can not assent to the wholesale criticism which he has directed against the members of the Federal Reserve Board, nor do I think he has properly appraised the limitations placed upon them by the Federal reserve act. During the war, and since, there have been many eulogies pronounced upon the Federal reserve act. Senators as well as bankers and students of fiscal affairs have declared it to be a wise and sound banking measure. The financial legislation enacted during the Civil War was inadequate to meet the business requirements of the American people. The imperfections of the national banking act were so manifold that there was a unanimous opinion that Federal legislation was required which would provide a broad, scientific, and comprehensive banking system.

I think the American people are in practical accord that the Federal reserve act measured up to the requirements of our country and approximated a very high standard of perfection. That it will require modification as our country expands is quite likely; but in its operations it has proven of incalculable benefit, not only to the Nation, but to all forms of business and to the people generally, and I believe that it has been administered wisely and in such a manner as to call for commendation in behalf of those charged with this great responsibility. It is possible the Federal Reserve Board have made mistakes in their

interpretation of the law and in its execution, but I do submit that all candid and fair-minded men, considering the conditions of our country since the law was enacted, and, indeed, the condition of the world, must reach the conclusion that those who have administered it have manifested ability of the very highest order and a patriotism which can not be challenged. Indeed, it must be a matter of surprise that this act, called upon to endure the stress and burdens of a world war, functioned so efficiently and achieved such beneficent results, vital alike to the American people and to the world.

During the consideration of this measure and before it went to the House, a number of distinguished Senators severely criticized the Federal board because of their effort to arrest the orgy of speculation through which the country was passing and to restrict the use of credits to legitimate and proper business enterprises and activities. Some Senators charged, and that is the criticism of the Senator from Georgia, that the Federal board sought deflation and proceeded in such a manner as to produce widespread disaster in our country. It has been the opinion of many thoughtful men and students of sound finance that the Federal board was subject to criticism because it had adopted too liberal a policy in extending credits, and had thereby contributed to the inflation from which, unquestionably, our financial and credit fabric has suffered.

Mr. HARRIS. Mr. President, does the Senator yield to the Senator from Georgia?

Mr. KING. I yield.

Mr. HARRIS. The Senator does not state that that inflation is caused by loaning money to the farmers of the country to market their products because their products have only been on the market for about 30 or 60 or 90 days.

Mr. KING. Mr. President, the board has rediscounted paper to the extent, I was about to say, of billions of dollars, although the Senator in his remarks stated, as I understood him to state, that the policy of the board had resulted in deflation and destructive contraction. I venture to assert, with all due regard to my distinguished friend, that his position is not quite tenable or accurate. As a matter of fact, there has been rediscounted by the Federal reserve banks several hundred million dollars in excess of the rediscounts for the year 1919.

Mr. POMERENE. Mr. President—

Mr. KING. I yield.

Mr. POMERENE. Apropos of what the Senator is just now saying, permit me to call attention to the fact that the junior Senator from Virginia [Mr. GLASS] the other day showed the very increases in rediscounts in those sections in the West and in the South where the agricultural interests predominate, and it was in the districts where industrial conditions prevail largely that they were loaning money to these various banks.

I agree entirely with the Senator from Utah that this criticism is, it seems to me, entirely unjust. I came into contact with this same question when some of the builders in our section of the State wanted further accommodations by way of rediscount, and it is enough almost to make one tremble when you think that the per capita circulation has increased as rapidly as it has during the last few years.

Mr. KING. The Senator from Georgia [Mr. HARRIS] intimates that there has been no money loaned to farmers for the purpose of marketing their products. I respectfully dissent from that view. My understanding is that there has been no refusal by the Federal banks to give credit for the purposes of moving and marketing crops. Complaints have been made that credits have not been sufficiently liberal to agriculturists to enable them to "hold their crops." I am sure the Senator will find that abundant credit has been and is available for those who desire to market their crops. I do not desire to convey the impression by the remarks just made that agriculturists should not obtain loans to enable them, in a proper and legitimate way, to conserve their agricultural products and to enable them to obtain fair and reasonable markets for the same. I appreciate the fact that if farmers are compelled to dispose of their products as soon as they are harvested, a great injustice is done to them, and no corresponding advantage results to the public. There is no question but that the farmers of our country have suffered because of the unsatisfactory methods under which they have been compelled to dispose of their crops.

All that has been said, not only in the discussion to-day but when this bill was under consideration a few days ago, concerning the farmers of our country and their vital importance to the well-being of the Nation must be conceded by all.

The prosperity of our country rests largely upon those engaged in agriculture. Prosperity comes from trade and commerce, and our foreign trade has been largely developed through the energies and toil and sacrifices of the farmers of the United

States. If prosperity smiles upon the farmers and the producers of live stock it will come to the homes of all the people of our land. The welfare and the happiness of the American people are indissolubly connected with the agricultural classes of our country. I should welcome business and economic conditions that would give increasing prosperity to our great agricultural interests. It is highly important that improved methods of marketing be adopted and that some plan shall be found by which those who produce shall not be deprived of the result of their toil and that speculators and middlemen shall not profit at the expense of the producer and of the consuming public.

It has been so often reiterated that a policy of deflation was suddenly forced upon the country that the accuracy of the statement seems to be accepted by most of the people. The fact is that, following the armistice, there was inflation rather than deflation. There was a period of inflation. Prudence and wisdom should have dictated a different policy to the American people.

With practical unanimity there should have been an agreement upon the part of all of our citizens to return to the paths of peace and of safety and of rational and sane economic and financial conditions. We should have recognized that war conditions ought not to be perpetuated and that the era of high prices produced by the war was a menace to our industrial and economic life, if not to our political institutions. We seem to learn nothing from the lessons of the past nor to heed the danger signs exhibited in Europe which inflation and high prices produced. There were many evidences of a concerted purpose upon the part of all the people not only to maintain high prices but to raise them to higher and therefore to more dangerous levels. For a very brief period after the armistice there was a slight recession in the price level. But this was followed by an upward tendency, which continued without interruption until far along into the present year. It has been charged that manufacturers and retailers conspired to maintain and increase prices. Certain it is that the results would seem to justify the charge. These conditions were not wholesome and could not be continued indefinitely. Manufacturers, retailers, and others seemed unwilling to dispose of their products and commodities except at prices which were constantly mounting. These conditions, as stated, could not persist, and it was inevitable that a decline in prices must result. It would have been wiser, and certainly in the interest of the people, if we had earnestly directed our attention to a gradual reduction of prices immediately following the armistice.

Instead of pursuing this course, speculation was rampant, and the high prices and the profits obtained only led to additional purchases and to still higher prices. The farmers, as well as all other classes, have too often unwisely employed their profits or the moneys obtained from the sale of their products.

Mr. L. A. Andrews, president of the Iowa Bankers' Association, recently stated that the bank statements of Iowa show loans to the farmers of not only "the local percentage of deposits but also their capital and surplus profits, and besides all this, they have borrowed and reloaned many millions of dollars, the Federal reserve bank of Chicago alone showing that Iowa banks have borrowed over twice what they are entitled to under the basic rule." He further states that "the report of the superintendent of the banks of Iowa shows that the loans of Iowa State and savings banks have increased \$72,000,000 during the past year, that their bills payable have increased \$20,000,000. It also shows that in the past 20 months their deposits have decreased \$16,200,000."

Mr. Andrews referred to the fever of speculation and reckless buying prevalent in the country and attributed the present critical situation largely to this fact.

I believe the banks have attempted to meet the demands of the agriculturists, and in November the Federal reserve banks of Cleveland, Philadelphia, and Boston had loaned more than \$200,000,000 to seven other Federal reserve banks, of which \$38,000,000 was to the New York bank and the remainder to reserve banks in the West and South, where the demands were mainly from the agricultural districts, and I am told that the Federal reserve bank of Cleveland has loaned more credit to the reserve banks in agricultural districts than to the banks of its own district. The report of the Comptroller of the Currency shows that the national banks of New York City had lost \$486,162,000 in deposits since July 30 last, the greater part of this amount having been drawn by banks in the agricultural sections of our country.

A full inquiry into the conduct of the banks may modify the views of some who are charging that the banks are attempting to depress prices or are withholding credits from agricultural interests. I have stated that the Federal Reserve Board, ac-

cording to the view of some, is subject to criticism because it has been too liberal in its extension of credit.

The Financial and Commercial Chronicle in its issue of November 13 states:

By availing of the apparently limitless resources of the Federal reserve banks, an after-the-war speculation was built up which has no parallel in history. Prices, wages, and everything else moved up in seemingly endless procession. The Federal reserve banking system, if it had been scientifically constructed and administered, should have operated to prevent the wild orgy of the two years that have elapsed since the conclusion of the armistice. Instead, it has fostered and encouraged the movement, the whole mercantile and financial community proceeding upon the theory that we possessed a financial mechanism that could be depended upon to provide credit to whoever might apply for it and in uncontrolled quantities out of a bounteous horn of plenty.

The reserve authorities saw the danger to which this delusion was leading about 16 or 17 months ago and sought to apply the brakes. But it was then too late. The movement had gained too much momentum. Besides, the reserve officials were themselves largely victims of the delusion. They hold the notion that the paper money issues they are putting out in the shape of Federal reserve notes are such beneficial creations that they can never be in excessive supply—that a sort of self-regulatory process exists within the reserve system itself which will guard against there ever being an excessive supply of these notes. So they have been emitting more and more of the notes, until now there are over three and one-third billions of them in circulation. They allowed the volume of notes to expand even while they were raising interest rates and insisting that credit demands must be sharply curtailed. Now the price structure, so enormously inflated, has collapsed. Yet the credit demands are more urgent than before, with the result that now there is deflation everywhere except within the reserve banks. Last Saturday they held no less than \$3,126,594,000 of bills under discount, or the very largest amount on record. Their strength is impregnable, but what an amount of misery and trouble would have been avoided if with the signing of the armistice they had stopped emitting further issues of notes. The speculation supported by these notes could then never have occurred, and the corrective process now nearing its end would never have been necessary.

By calling attention to this article, I do not mean to be understood as indorsing all that is therein stated, but it is clear that in certain circles there is a strong feeling that the Federal Reserve Board has been too liberal in extending credits to the people.

Gov. Harding, in his address before the American Farm Bureau Federation, at Indianapolis, Ind., on the 7th of this month, states that on September 19 of last year the total earning assets of all Federal reserve banks were over \$2,350,000,000, and on January 27 of this year the total was nearly \$3,300,000,000. He calls attention to the fact that no banking system is strong enough to sustain itself for any length of time at so rapid a rate of expansion of credit. We know that there was no drastic deflation attempted, notwithstanding its precarious condition. The slight advance in discount rates resulted in a gradual liquidation, and this continued for only about 60 days, and the reduction in credits amounted to only approximately \$100,000,000.

In May the loans and investments of the Federal banks were again at the high level, and on July 23 of this year there had been a decline in the total loans and investments of only \$150,000,000 from the high point. On December 3 of this year, the loans and investments had reached the limit of \$3,333,792,000. On December 3, 1919, the loans and investments of the Federal reserve banks were only \$2,933,082,000. The Federal reserve notes in circulation on December 3, 1920, amounted to \$3,312,039,000 as against \$2,881,359,000 on December 5, 1919.

Gov. Harding further states that "as far as the Federal reserve banks are concerned, no contraction of credit or currency has been had during the past 12 months, but, on the other hand, there has been an increase in Federal reserve bank credit of \$400,000,000 and in currency of \$430,000,000."

During the past year business has expanded in many lines and many incorporations have been formed, which have absorbed hundreds of millions of dollars of the earnings of the people. Of course, large sums have gone into existing corporations, but many new corporations have been formed which have called for extensive investments. Bradstreet's issue for November 20, 1920, states that during the first 10 months of this year there were, in the Eastern States alone, corporations organized with \$12,242,577,700 capital, as against corporations with \$10,359,249,100 in 1919. The same issue also states that the new "domestic capital" issues in the first 10 months of 1920 were \$2,693,022,300, as against \$2,544,349,100 for 1919. The New York Journal of Commerce shortly after the 1st of each month gives a tabulation of new enterprises. Statistics for each preceding month of incorporations under the laws of the principal States show that the authorized capital of the corporations referred to for the first 11 months of 1920 aggregate \$13,138,140,800. The same authority states that the authorized capital for 1919 was \$12,677,229,600; for 1918, \$2,599,752,600; in 1917, \$4,607,094,100. These figures, and many more which I have before me, show the great expansion of business since the armistice and the great volume of credit which has been employed in the United States.

No one, Mr. President, can be oblivious to the unsatisfactory condition of business not only in the United States but in the world to-day. The proponents of this legislation hope to secure European markets for surplus agricultural products. I stated upon a number of occasions during the debate upon the Versailles treaty that unless Europe were stabilized and means devised by which commodities, and particularly raw materials, could be obtained by the people of Europe we would suffer a great decline in prices and the stability of our financial system would be threatened. There were many who sought to isolate the United States and to deny her the opportunity of participating in the affairs of the world. We are a part of the world, and our fortunes are more or less linked with the fate of the world. With Europe unhappy and bankrupt, we can not expect the tide of prosperity to mount high in our land. If Europe purchases our products, we must take in return some of Europe's products. Moreover, while Europe is recovering from the chaos into which she was thrown by the war, we may be compelled, if we trade with her, to make capital investments in Europe. When we were a debtor Nation, Europe was making capital investments in the United States. She helped finance our railroads, construct our factories, and develop industries which brought profit to America and gave employment to American workmen.

We are a creditor Nation and the nations of Europe are our debtors. We will be compelled to accept payment for many of our surplus products in capital investments in European nations, and through the medium of banks and corporations, organized and to be organized, the transactions must be effectuated, which will result in the export of our surplus commodities and the payment to our agriculturists and other producers whose products are marketed beyond the seas.

Recurring to the criticism of the Senator from Georgia, I desire to state that the members of the Federal Reserve Board are entitled to the thanks of the American people for their wisdom and for the ability and devotion with which they have discharged the great responsibilities resting upon them. The Federal reserve act has been vindicated under their wise administration. The credit of our country has not been impaired, and during this world's struggle, which has destroyed nations and brought financial ruin to the proudest, the financial strength of this Republic has resisted all assaults, and it has emerged from the storm wearing the crown of financial leadership amongst the nations of the earth.

The Senator from Georgia says he will not vote for the confirmation of the members of the present Federal Reserve Board. I shall be happy to support them, and am glad to bear testimony to the patriotic and faithful services of the present members of the board, as well as those whose terms have expired and who are no longer associated with that important body.

Mr. President, I fear that this measure will fail to give the relief which some who have enthusiastically supported it believed that it would. However, I shall support it, hoping that the farmers and live-stock interests particularly will be benefited by its passage.

Mr. HEFLIN. Mr. President—

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Alabama?

Mr. GRONNA. I yield.

Mr. HEFLIN. Mr. President, a good deal has been said here recently about deflation in this country. We know that inflation was brought about, not in a day, in a week, in a month, or in a year. It took nearly three years' time, and now if we bring about deflation as rapidly as has been suggested and undertaken, it will not be deflation, but destruction. It will require two years' time to get the country back to its normal state in this matter. Unless we make haste slowly in the matter of deflation we are going to bring disaster to the agricultural interests of the country.

Mr. THOMAS. Mr. President, may I ask just what the Senator understands by deflation?

Mr. HEFLIN. Reducing the available money supply and credit.

Mr. THOMAS. Does not the Senator know that the supply of money has not been reduced at all?

Mr. HEFLIN. Sure; there is more money in the country to-day than ever before, and it is the duty of this Government to do what is necessary to bring that money out of its hiding place. It ought not permit anybody to get control of the money supply at a time like this and hold it to the detriment and ruin of the producing class of America. This Government owes it to the men whose sons it took out of their homes to go to war to see to it that those who control the money supply shall not let their dollars become slackers now, when the produce of these

men is selling in the markets of the country at a price below the cost of production.

Mr. POMERENE. Mr. President, the Senator has spoken of these dollars being in hiding. Does he think they can be brought out of hiding by continuing rediscounting at the rates in effect in the past?

Mr. HEFLIN. Whether they come out of hiding or not, it is the duty of the Government to supply the money necessary to reach the emergency that is upon us, because this emergency came not by any act of the farmer, but it came as the result of the war, and the Government owes it to the farmers of this country to see that they are not made to suffer the tremendous losses that the present ruinous prices would entail.

If the big banks will not let their money come out of its hiding place, then let the War Finance Corporation issue six times its capital of \$500,000,000, which will be \$3,000,000,000. That is necessary to relieve a very distressing situation, and we must not let a few people, who want to corner the money supply, produce a feast out of the misfortune of the farmers of America.

A gentleman told me Saturday night that a banker said to him, "This is the harvest time of the bankers, and they must be permitted to make big stakes. There are periods when they do not make much money." I do not think a majority of the bankers have such a view as that, but if they have will the Government permit them to hold back the money which should now be given in exchange for that which represents the capital and labor of the farmer until his business is wrecked? Such a course would be a shortsighted and dangerous course and the Government should not permit it.

Mr. SMOOT. May I ask the Senator a question?

Mr. HEFLIN. I yield to the Senator.

Mr. SMOOT. Does the Senator know of a single bank which has opposed this measure?

Mr. HEFLIN. I do not. I think most of them are in favor of it.

Mr. SMOOT. Then why does the Senator talk about the money power and the banks? I do not know of a bank that has opposed it or even written a letter in relation to it.

Mr. HEFLIN. The Senator has misunderstood my remarks. I was replying to the junior Senator from Utah [Mr. KING] regarding the Federal Reserve Board and the banking system. I think their policy in recent months has been a mistake. I think that if rediscounts are not continued a serious mistake will be made. I think, too, that the Congress ought soon after Christmas direct the Federal Reserve Board, if necessary at that time, as to what it shall do in going to the rescue of the farmer.

Mr. SMOOT. What did the Senator mean when he said this was the day of the banker's harvest?

Mr. HEFLIN. I said that a gentleman told me that a banker had said, "The banks must be permitted to make a killing now. Times like this constitute their harvest time."

Let me say, further, that I have heard that other bankers have said that the time to make your money is when the people are hard up and money hard to get. The Senator knows that there is a good deal of truth in that.

Mr. SMOOT. I want to say to the Senator that if there ever was a time in the history of the United States, from the beginning of it down to the present time, when the bankers have had a hard time, even to pull through, it is to-day.

Mr. KING. Some of them are failing.

Mr. HEFLIN. A great many of them are doing all they can, and I blame the Federal Reserve Board and some of its member banks for not backing them to the limit. That is my criticism.

Mr. SMOOT. That is a different proposition; but I want to say to the Senator that never in our history have the banks loaned so closely—I mean as a whole, not here and there a bank, but when every bank in the United States has loaned so closely to the line of safety in loans as they are right at the present time.

Mr. HEFLIN. I do not dispute that. But the Federal Reserve System was instituted for the purpose of meeting any and every emergency, and it tided us over the greatest war of the world, and there was not a ripple upon the surface of the great sea of finance in this country during all that time, and now, when the war is over and millions of people have gone back to work, if the Federal Reserve Board does not function properly, so as to take care of the situation in the aftermath of that war, it seems to me it is time for Congress to pass a resolution instructing that board what to do.

Mr. THOMAS. Mr. President, I will detain the Senate but a moment. The Federal Reserve Board, or the system of banking which is under its control, was the result of experiences

gleaned from the banking systems of the past, and those prevailing in modern commercial countries, by a commission appointed for that purpose, under the leadership of the late Senator Aldrich, of Rhode Island. The report of that commission forms the basis of the act introduced by its chairman, as it also formed the basis for the Federal reserve act. It was said, and I think correctly, to be the best banking system that had ever been enacted into law in this country, and probably the best extant in any country.

Fundamentally it was designed, and must have been designed, first, to prevent the systems controlled by private interest; and, second, to provide for a nonpolitical administration of its board, and consequently of the policy of the banking system of the country.

We may differ as to the manner in which the law has been applied and construed, but we must recognize the fact that the Federal Reserve Board have had placed upon them great responsibilities, and have been compelled to act not only in times of the greatest crises which ever confronted mankind, but also during those periods of depression which are as unavoidable as are the recessions of the tides, once they have reached high water.

The Senator from Alabama [Mr. HEFLIN] very justly inveighs, if the fact be so, against those who are hoarding money at the present time, when it is needed in the channels of trade and industry. But I think it is everywhere the fact, not only with this, but with preceding generations, that times of depression, falling prices, and stagnation in business affairs are always attended by a diminution in the circulating medium. Men with money keep it out of the channels of trade and commerce. Banks begin to hold money because of the fact that the margin of safety requires it absolutely.

Those who are clamoring against what they call a conspiracy of the banks seem to me to forget that a bank's first duty is to its depositor. The money which the banks use for business, for the meeting of the obligations of the various communities, is only in very small part the money of the banks. It is in large part the money of the depositors, and the security and solidity of the bank is the one and only guaranty to the depositor of his money. The banks which are conservative and which do not fail very properly recognize it as their supreme and fundamental duty to safeguard the depositor and invest his money so as to bring a return both for him and for the bank. I think the banking interests of the country, as was said by the junior Senator from Utah [Mr. KING], are subject to criticism only because they have transgressed the period of safety in the interests of the producer, and they are in a situation quite as hazardous to-day, if their loans are to be expanded, as are the interests which are clamoring here for legislative relief.

The New York Times of yesterday or the day before stated that millions of dollars—I think a billion in all—of taxes due the Government had been defaulted because the taxpayer had been unable to borrow the money with which to meet the last payment upon his income and excess profits assessments. It is to be presumed that men and institutions with such enormous incomes, in consequence of which their income taxes are so great, could, if anyone, be able to secure the needed funds for the purpose of meeting the exactions of the Government. Failing to meet them, failing to obtain the needed funds, the penalties of the statute operate, and they are now in operation against a billion dollars' worth of taxes in that city alone—perhaps that is too broad a statement; in the country at least—because of this monetary stringency which the Senator would relieve, and he would relieve it by the compulsory issue by the Federal reserve banks of five or six billion dollars of bonds. All the criticism that seems to me to be necessary to direct to that statement is to speak for a moment of the financial condition of those countries which have themselves met or attempted to meet the conditions. Take France, Italy, Germany, and to some degree Great Britain. Upon that principle we would cure delirium tremens by repeating the doses of intoxicating material which the patient is required to take. I can conceive of no greater calamity to the people of the country than to meet present conditions by resorting to such a remedy. It is hopeless, not to be thought of, and in the end only plunges us far more deeply in the slough of despond which many people seem to feel is just ahead of us. People ultimately must realize that there is no royal road, legislative or otherwise, that will relieve us from the operation of the fundamental economic laws of trade and of industry.

We must go through this ordeal as those in other times have been compelled to do, realizing that the reaction is universal, that it can no more be stayed than a law of nature, and that the good old ways of suffering, of economizing, and being as thrifty as possible, buying only that which is necessary, and

contributing all the savings that can possibly be realized to the general fund of capital—that, and that alone, will restore conditions and enable us to return to what may be called a fair and prosperous condition.

Our legislation, I predict, and with that statement I conclude, whatever it may be, will prove so utterly disappointing that the would-be beneficiaries, in their disappointment and resentment, will in the end turn against the men who have proposed and enacted it.

Mr. GRONNA. Mr. President, I do not wish to prolong the discussion. I simply wish to be permitted to say that I can not agree with the conclusions of the Senator from Colorado. I think he misunderstood the Senator from Alabama [Mr. HEFLIN] with reference to the amount of bonds issued. The joint resolution, when it becomes a law, will not burden the Treasury with any additional bonds whatever. As I said a moment ago, the law specifically provides that the Federal Government shall not be responsible for the bonds. They are debenture bonds which will be sold in the markets.

We find no trouble to get money for Liberty bonds. I do not wish to be personal, but I wish to say that within the last month I have sold nearly \$20,000 of my own Liberty bonds, some of them at a discount of about 13 per cent, and all at an average of about 10½ per cent. If there is plenty of money in the country to buy these bonds at this enormous discount, why is it not fair to suppose that the debentures issued by the War Finance Corporation, exempt from taxation, will find a ready market? As I said, they would not be a burden upon the Treasury of the United States.

Mr. KING. Will the Senator permit an inquiry?

Mr. GRONNA. If I may just finish this statement, I will yield to the Senator.

It is not literally correct to say that there has been no deflation. In order to have the Record show the actual condition, I wish to be permitted to read from a statement of the Treasury, taken from the circulation statement of December 1, 1920. I find that on November 1, 1920, the circulation per capita was \$59.48, and on December 1, or 30 days later, it was \$59.41, a difference of 7 cents per capita only, but on the basis of 100,000,000 people it amounts, if my calculation is correct, to \$7,000,000. So it is not accurate to say that there has been no deflation.

Mr. POMERENE. Is the Senator able to give the per capita circulation on the first day of each month, let us say, for six months preceding November 1?

Mr. GRONNA. I do not happen to have that statement before me, but I shall be very glad to have it put in the Record if the Senator desires it.

Mr. POMERENE. I think the Senator will find that there was a gradual increase.

Mr. GRONNA. I do not doubt that.

Mr. KING. May I now ask the Senator the question which I proposed to ask a moment ago?

Mr. GRONNA. Certainly.

Mr. KING. The Senator stated that he was compelled to dispose of some several thousand dollars of his Liberty bonds quite recently.

Mr. GRONNA. I did not say compelled. I said I did dispose of them.

Mr. KING. Yes; and sold them at a discount of some 15 or 17 per cent.

Mr. GRONNA. On an average, I think, of about 10½ per cent. They were of different issues.

Mr. KING. Let me ask the Senator this question: If the War Finance Corporation shall function under the bill and shall issue, as the Senator from Alabama [Mr. HEFLIN] indicated they might, and, as I understood him, he wished they would, some three or four or five billion dollars of bonds, is it not obvious that they must come in competition with Government bonds and still further force down the value in the market of the Government bonds?

Mr. GRONNA. I do not know. I take it that the more bonds there are in the country the greater the advantage will be to make a reasonable or a large discount.

This morning when the joint resolution was laid before the Senate I had been unable to confer with the friends of the measure. I was therefore unable to make the proper motion to concur. Many of them have now given their views on the floor and I have talked with others privately, and while they, like myself, reluctantly yield, yet we believe that half a loaf is better than no bread. Therefore I consent to the motion made by the Senator from Utah [Mr. KING] to concur in the amendments of the House and that the Senate agree to the same.

Mr. POMERENE. Mr. President, I have heard to-day, as I have upon other days when this matter was before the Senate, a vast deal said about the embarrassing position of the agri-

cultural sections of the country. My belief is that in most respects that condition has not been overstated. I am quite as anxious for the relief of the agricultural interests as anyone can be. The only exception I have taken to the debate is the attempt to point out that the agricultural interests have been discriminated against when compared with the other great industrial activities of the country. I am quite sure that Senators make those statements because they have not advised themselves as to conditions in the industrial centers.

It is true that one section has wheat or cotton which has declined in value. In an industrial center they have stocks, perhaps, or bonds that have declined in value. In the large manufacturing plants of the country the stock bins are filled with their products made out of the highest-priced materials and at the highest wages that were ever paid in the history of the country. In industrial centers manufacturing plants have been closed down because there is no demand for the products. I fear that in some of these places there is going to be distress, and it will not be a question of marketing products so much as it is going to be a question of bread and meat for those who are thrown out of employment.

I was very glad that the Senate saw fit to change the joint resolution so as to provide that the relief should be not only for the benefit of the agricultural interests but for the producers of other products as well. I think the Senate did right when it adopted that amendment. But again I wish to say to those who are in the industrial centers, as well as those who are in the agricultural centers, that when we talk about the inflation of our circulation we are playing with fire. Just think of it; in 1896 the per capita circulation was \$23, and on December 1, 1920, \$59.41. Oh, this can go on, perhaps. It can go on by unlimited rediscounting. Aye, it can go on in another way. We can have our State Department enter into negotiations with Lenin and Trotsky for their printing presses. I was told the other day that some public man made the statement that Germany was not printing money now, she was publishing money.

Oh, we can do it. We are in a better financial condition today because we have not followed in the footsteps of Lenin and Trotsky and Germany. I am jealous of our financial system. I want to help to the limit of safety, but I never will be willing consciously to go beyond it. We can postpone the pay day, perhaps, by operating the printing presses, but it will come just as sure as we continue to an unnecessary degree.

Mr. HEFLIN. Will the Senator from Ohio yield to me?

Mr. POMERENE. Yes.

Mr. HEFLIN. Does not the Senator think it would be wise to put the farmers and merchants and bankers of the country on notice that the deflation is going to begin at a certain time, in order that they may make their arrangements accordingly? The farmer had no notice at all this year that any such conditions would confront him. He went along and produced his present crop, which cost him more than any crop he has ever produced, and just as he reached the market place he was met with talk of deflation. Money was hard to get. Now, does not the Senator think he ought to have an opportunity to arrange his affairs so as to be ready for such an occasion as the one that is upon him now?

Mr. POMERENE. I fear my very good friend is not accurately informed on this subject. I do not think—and I say this with all due respect—that the Senator speaks accurately when he speaks of deflation. As a general proposition there has been no deflation. The Federal Reserve Board has simply arrested inflation in the great degree in which it was advancing during the past months.

Let me suggest this to my good friends from the South and the West, and the East as well: True, you can get additional money; true, you can extend these loans for a while. I think many of them could be extended if all the member banks would do their duty, for it is not a question so much as to the reserve banks.

Let me suggest to some of my friends in the South and in the West, where they allow their banks to charge 10 and 12 per cent interest, that if they will go before their legislatures and have the legal rate, the contractual rate, of interest cut down, they will enable the farmers to extend their loans for a good while.

Mr. HEFLIN. Mr. President, will the Senator yield further?

Mr. POMERENE. Yes; certainly.

Mr. HEFLIN. But the Federal Reserve Board sanctioned the raising of the rate of interest in the case of a bank at Kansas City to 15 per cent.

Mr. POMERENE. In one of the Federal reserve banks I think that rate was allowed at one time; I think that is true; and the Federal reserve banks in some of the other districts have been accommodating the banks of the West and the South.

Mr. McKELLAR. Will the Senator yield to me?

Mr. POMERENE. Yes.

Mr. McKELLAR. The rate in my State by law is 6 per cent, but in one instance, to which I referred some days ago, the Federal reserve bank charged a bank in my State 12½ per cent.

Mr. POMERENE. If Senators want to reduce the rate they can reduce it to 2 per cent, and they will enable their local banks to get the difference between the rediscount rate and the loaning rate.

Mr. GLASS. Will the Senator submit to an interruption?

Mr. POMERENE. Yes.

Mr. GLASS. The Senators do not tell the whole story when they point to these exceptional rediscount rates.

Mr. POMERENE. No.

Mr. GLASS. They are rates which have been extended to banks who have outraged all sound conceptions of banking, and have so far extended themselves as to jeopardize the interests of their stockholders and depositors.

Mr. POMERENE. The Senator from Virginia is right.

Mr. McKELLAR. Mr. President—

Mr. POMERENE. Pardon me for just a moment. Of course, the reserve banks could have continued their rediscounting to an unlimited extent, but conditions would be worse in the future.

Mr. McKELLAR. Will the Senator allow me to make a brief explanation in answer to the Senator from Virginia?

Mr. POMERENE. Yes.

Mr. McKELLAR. The Senator from Virginia is entirely correct in saying that the instance to which I have referred, where 12½ per cent was charged, was an exceptional case; but the Senator is mistaken in saying that such rates are imposed in cases where money ought not to be loaned to such banks. The bank which I have in mind, a bank in my own State, is one of the most solvent concerns in the whole country, and it has had to pay, according to the graduated scale that we permitted under the law last year, as high as 12½ per cent. I repeat, that bank is just as solid as any bank in the country.

Mr. GLASS. It paid the rate according to the graduated scale.

Mr. McKELLAR. Yes.

Mr. GLASS. Under the law adopted by Congress, based upon sound banking considerations, it is simply required that when a bank has extended its credit beyond a certain point the graduated scale shall apply.

Mr. POMERENE. In other words, it gives to the Federal reserve banks the same power over the member banks that the member bank has over its customer when he tries to borrow beyond the line of safety.

Mr. President, the difficulty is not here in the United States. Let me say to my friends from the South and West, as well as in other sections of the country, that the difficulty lies in the fact that the financial conditions over in Germany and central Europe are such that the people there can not buy that which they need. While we may arrange matters so that we can, perhaps, keep the surplus stock in this country a little while longer, the time will come when we must dispose of it. Then the South and the whole country will wake up to the fact that the problem is, Can we, who have a surplus, sell to Europe, which needs our surplus, and get good money from them, who have not any good money, in exchange for our products? That is the whole situation. Until we can improve credit conditions in Europe, all the United States is going to suffer, more or less.

Mr. HEFLIN. Mr. President—

Mr. POMERENE. Allow me to make a further suggestion. I believed that the revival of the activities of the War Finance Corporation might help in the present situation. It was for that reason that I voted for the joint resolution. I only hesitated when it came to Congress attempting to give direction to the Federal reserve banks. With all due respect to my colleagues on that subject, I desire to say that I have more confidence in the Federal reserve banks and their experience than I have in the Congress of the United States. Now I yield to the Senator from Alabama.

Mr. HEFLIN. I wish to ask the Senator if it is not a fact that our export trade this year up to this time is larger than it was last year?

Mr. POMERENE. Does the Senator mean larger in the number of dollars that we have received or larger in the quantity?

Mr. HEFLIN. In the number of dollars.

Mr. POMERENE. I think that is, perhaps, true.

Mr. HEFLIN. If that is true, it shows that the purchasing power of the Old World is yet in pretty good shape, does it not?

I wish to say further to the Senator, in reference to his suggestion that the trouble is not here but yonder across the sea,

that last year the banks obtained money in the cotton-growing districts at 4½ per cent, while this year the rate of interest was raised to 7 per cent. The legal rate of interest in my State is 8 per cent; so the Senator can see what a small margin of profit the banks have in helping to move the cotton crop. Call money in New York, I understand, has gone up to 12 per cent. Money goes where it can earn the most interest, as a rule. We have that condition to confront us here; and there are a number of instances of which I know in connection with loans where the farmer has been unable to get money to handle his crop as he did in 1919.

The VICE PRESIDENT. The question is on concurring in the amendments of the House of Representatives.

The amendments were concurred in.

Mr. DIAL. Mr. President, I was absent last week for a day or two. On my return I noticed in the CONGRESSIONAL RECORD that my good friend and colleague [Mr. SMITH of South Carolina] made a speech, in which he referred, amongst other things, to the profits of cotton mills. I merely desire to make some corrections of mistakes into which I believe my colleague inadvertently fell.

For instance, I notice that he says that New England and southern mills made on an average 300 per cent in profits. Mr. President, I am not here to defend profiteering; I believe there has been too much profiteering carried on in the United States; but as to that statement I desire to say that I never heard of a mill making 300 per cent per annum, and I doubt very much whether any mill made any such amount on an average.

The cotton-mill industry is a great one in my section of the country, and our people are very much interested in it. Sometimes, of course, mills make greater dividends than at other times, as is the case in all industrial enterprises.

My colleague also stated that the cotton mills reduced the price of goods only 33½ per cent. In that statement I think he is in error. I have investigated that question. Goods which last summer were selling at 26 cents a yard to-day are selling at 8 cents a yard. So it is plain that that great industry has been very hard hit, and there is very little, if any, sale for many of the goods it produces. I know of mills in the community where my home is located which, when I was home about six weeks ago—I have not heard from them in the last month—had not sold a yard of goods for five or six months. They are piling up their goods in the warehouses; they can not find a market for them at any price, but are merely trying to operate in order to give employment to their labor.

In reference to the statement of the senior Senator from South Carolina that cotton mills had been declaring dividends upon which they paid no taxes, I desire to say that it is true that certain enterprises have paid very large dividends, but mostly they have been in the shape of stock dividends. There is a misapprehension in the country in regard to the object of paying stock dividends. A stockholder is no better off with a stock dividend than he was before. A stock dividend merely divides up the unit of the ownership of the property. The Government is not defrauded, and the stockholders, perhaps, are not benefited. It would make no difference to a stockholder whether he could sell one share of stock for \$200 or wait until there was a stock dividend declared and sell two shares at \$100 each. So I think there is a misconception along that line. The dividends which have been declared are not from earnings made recently, perhaps, but from accumulated earnings of many years.

Mr. SMITH of South Carolina. Mr. President, will my colleague allow me to interrupt him?

Mr. DIAL. Certainly.

Mr. SMITH of South Carolina. Do I understand my colleague to say that whenever a mill declares a dividend in the form of stock and the stockholder receives double the par value of his original holding of stock—and I know of a case where such a dividend was paid—that the two shares are worth no more than the one share was worth?

Mr. DIAL. Very probably the two shares are not worth any more than the one was. The value of the property has not been increased, but the units of ownership have merely been increased and divided.

Mr. SMITH of South Carolina. I understand as to that; but the earnings that the mill has made are paid in the form of a stock dividend, and therefore if a given property on its replacement value, so to speak, is earning 300 per cent, it is certainly a going concern and is worth that much more than it was when the original investment was made. If, instead of paying a cash dividend, they pay a stock dividend, the value of the property is enhanced by its creative power, which is evidenced by the stock dividend. When my colleague shall have concluded I shall read a communication from the Federal

Trade Commission on this identical point, touching these very mills.

Mr. DIAL. Very well, Mr. President. There is a great, big question about replacement values. We can deceive ourselves and imagine that we are well off, when really disaster will soon catch us. We thought last summer that our stock was really worth more than it was, because it was based upon the idea of replacement value; but when things became more normal and this decline came, the price of the stock declined perhaps one-half. It was the same way with land in our country. We thought we were better off than we were. Our land that used to bring \$40 an acre got up to \$200 and \$250 an acre. Now it has gone away back down again.

Mr. SMITH of South Carolina. Mr. President, may I ask my colleague another question?

Mr. DIAL. Certainly.

Mr. SMITH of South Carolina. Speaking about this stock dividend, when the directors of the concern ordered this dividend they could have, had they seen fit to do so, declared a cash dividend to that amount; but they decided to issue a stock dividend, and therefore the dividend was made. It was left to their option as to whether they would declare it in cash or in the form of a stock dividend. Now, my colleague does not say that they did not earn that amount of cash, but they transformed it into stock at their own will.

Mr. DIAL. They should not have issued any more dividends, cash or stock, than they had earned.

Mr. SMITH of South Carolina. Exactly.

Mr. DIAL. That is true; but they would avoid no taxes by issuing a stock dividend. Now, there were stock dividends that some of the mills issued this year that were not made recently, but were the accumulation of profits for many years past. I happen to know a mill in which I am somewhat interested, I am sorry to say, that paid no dividends for about 15 years. It is about 20 years old. It has never paid dividends until recently, and its stock to-day is selling around \$100 a share only, and sometime ago it could have been bought for a few cents a share. I know of many other mills in our section that never paid dividends for many years after they were started.

Unfortunately, Mr. President, in the South we begin enterprises upon too meager a capital. We start them in debt, and it takes a long time to accumulate enough profits to get the enterprise out of debt. So that the industry in our country is not a very prosperous industry; it never has been; but since the war it did prosper and made tremendous dividends temporarily, or at least they thought they made dividends; but by the time we convert those goods into cash it is a question whether we did or did not. I say it is one of these inflated feelings, and the point I am trying to make is that these enterprises are great friends of the community. They create a market for our people to sell their cotton to, and their vegetables, and in my section stock in a great many mills are owned by the farmers of those communities. My good colleague lives in a most magnificent agricultural country. His own is in the best, or one of the best, cotton-producing countries in the world, but they have not many mills in that section of the State.

Mr. SMITH of South Carolina. Mr. President, I will state to my colleague that the State of South Carolina is not so large but that a mill located inside the State is almost in a man's immediate community, and that so far as the mill interests of my State are concerned I am just as jealous of their prosperity and progress as my colleague is. I do not own any mill stock, and therefore have not that intimate and vital feeling, perhaps, that I should if I owned a good, big block of it; but I do not. I am a farmer, and farmers do not indulge in stock ownership very often.

Mr. DIAL. My friend is badly mistaken about that, because I happen to know a mill the nucleus of which was 200 stockholders, nearly every one of whom was a farmer.

Mr. SMITH of South Carolina. Yes; but most of them had a side line other than farming. I do not want my colleague to convey the impression, however, nor can he convey the impression without my opposition, that I in my speech, or here now, am trying in any way to disparage the mills of my State or bring them into criticism. The whole purpose of my speech was to show that the men who produced the raw material out of which the mill gets its finished product did not, by the very nature of the case, have the same facilities for protecting their profits that the mill people had, and that is all there was to it.

Mr. DIAL. Yes; I am not criticizing my colleague at all, and I will say that no one in the world sympathizes with the man who produces any more than I do, and there is nobody who works for his interests any harder than I have tried to work since I have been here. I say the conduct of the Secretary of the Treasury this summer in not letting the War Finance Cor-

poration function so that our people could have had a market for their surplus cotton is little short of a crime; and it is a shame now that the price has gone so low, away down where it does not sell for half what it cost to produce it. If I had my way I would advise every man who owns a bale of cotton not to sell a bit of it for 3 months or 60 days at least, until the world becomes normal again and the people want cotton at a reasonable price.

Mr. SMITH of South Carolina. Does my colleague restrict that criticism to the Secretary of the Treasury alone?

Mr. DIAL. Principally.

Mr. SMITH of South Carolina. I should like to have all the sinners included.

Mr. DIAL. I do not agree with some of the statements and interviews given out by the Federal Reserve Board, but I will state that upon the whole I am a friend of the Federal Reserve Bank System and its officers. I think they talked a little too much and they produced a panicky feeling in the country, and I feel that that is one of the troubles now.

Mr. HEFLIN. Mr. President, will the Senator yield to me for just one moment?

Mr. DIAL. Certainly.

Mr. HEFLIN. I do not want to be understood as criticizing the Federal Reserve Banking System. I think it is the greatest banking system ever devised; but my criticism goes to the administration of the system. I think mistakes have been made there; but I agree with the Senator that it is a great system.

Mr. DIAL. I do not say that they have not made mistakes. It is certainly a very great system, and I know intimately some of the men on the board, and I know they have the good of this country and the prosperity of the people at heart, and I know they are willing to do everything that is reasonably consistent with good banking; and I must say that some of the criticisms on the floor of the Senate against that board, especially about the increased rate of interest, have been unjust. We, the Congress, authorized them to increase the rate of interest on a graduated schedule; and the banks, instead of complaining about the increased rate, ought to be thankful that they can borrow at all. The trouble is they borrowed too much, at least a good many of them. When they pay such a great rate of interest it is no exception in the case of a particular bank. Every other bank in the same district would have to pay the same rate, provided it borrowed in the same proportion to its capital and surplus. Before the Federal Reserve Banking System was adopted a national bank could only borrow an amount equal to its capital and surplus, but when this law was passed the top was taken off, and they have been authorized and allowed to borrow an unlimited amount during the war.

Mr. SMITH of South Carolina. Mr. President, will my colleague allow me to ask him a question?

Mr. DIAL. Yes, sir.

Mr. SMITH of South Carolina. My colleague is referring to the law of 1863, the national bank act, until—

Mr. DIAL. Until the Federal reserve bank act was passed.

Mr. SMITH of South Carolina. I say, until the Federal reserve law was put into effect. Does he not agree that the very point he is now making, that a bank should be restricted to a certain percentage of its capital and surplus—

Mr. DIAL. No; I do not say it should be restricted to that amount.

Mr. SMITH of South Carolina. Well, I say, here is the point, it amounts to the same thing: Under the section introduced here at the last session, and passed just before we adjourned—the Senator from Connecticut [Mr. McLEAN], for the Banking and Currency Committee, brought it in here—we so amended the present law as to penalize any bank that exceeded a certain per cent of its capital and surplus, which percentage was to be decided by the board of governors, and that when they exceeded in their rediscount privileges a certain per cent of their capital and surplus then the rate of interest on the excess should be so graduated and progressed as to prohibit them from borrowing above the limit that the Federal Reserve Board of Governors saw fit to put.

Now, the question I want to ask my colleague is this: If you restrict the rediscounting privilege of a member bank to a certain per cent of its capital and surplus, what difference is there between the Federal reserve law and the old law of 1863, which was so rigidly inflexible that we could not do business in this country?

Mr. DIAL. No, Mr. President; I do not say it should be restricted to that amount. I said the provision heretofore was that that was a reasonable amount. I do not think it should be restricted to that. I want to say that I am glad the Federal Reserve Board can do more than that. I do not look upon a

graduated rate of interest as a penalty at all. I look on it as an accommodation to the bank.

Mr. SMITH of South Carolina. If my colleague will allow me, was not the object of that graduated and progressive tax to prohibit the bank in a nice way from overdrawing or over-discounting a certain amount of its capital and surplus?

Mr. DIAL. It was to tell the bank to put on the brakes, and not to borrow too much.

Mr. SMITH of South Carolina. Precisely.

Mr. DIAL. Now, I think it is a very good thing that we go back to precedent and look back to what is considered good banking and not allow them to borrow ad libitum. There is no telling what they will borrow if no limit is placed. Some of them would borrow until they could not pay their depositors, and would possibly fail, and the stockholders would lose their money. I think it is well that there is some supervision of the banks.

Mr. SMITH of Georgia. Mr. President, does not the Senator think any of the banks are well managed by intelligent business men? Does he not think that as a rule the banks are managed by intelligent business men? And does he think that the average bank would overdiscount and overdraw until it would destroy its depositors' fund?

Mr. DIAL. The statistics show that such things do occur.

Mr. SMITH of Georgia. Occasionally.

Mr. DIAL. I have a very high regard for the bankers of this country. There is no finer set of men than the bankers of the United States. In the words of Pete Hildebrand—

The VICE PRESIDENT. The Chair would like to know what is before the Senate.

Mr. SMITH of South Carolina. The Senator from South Carolina, my colleague, is before the Senate.

Mr. DIAL. I am just coming to what I was going to tell you.

The VICE PRESIDENT. Just a moment. There is not anything pending before the Senate. Senators have been debating without a thing before the Senate.

Mr. DIAL. I am simply correcting some errors which I think my colleague unintentionally made in his speech. I was going to say about the bankers what my friend Pete Hildebrand said when he referred to a fine class of people, "One of which I am whom." So there is no better class of men than the bankers of this country, but some of them do borrow too much, and now some of the bankers in this country wish they had not borrowed so much.

The remedy, in all seriousness, is for more banks to join the system, and thereby they will be enabled to borrow more money and help the farmers of this country and the people generally to market their crops and their produce gradually. I am not certain of the exact number, but I think the Comptroller of the Currency said that perhaps there were only 25 per cent of the banks in this country that had borrowed a short time ago. So I am a friend of the system, and I think the banks ought not to be limited to the original amount, but they ought to be allowed to borrow any reasonable amount, and I think a gradual schedule of interest is a very wise way to limit that amount. It has the advantage that in times of distress they can be accommodated, and it helps the people to market their crops by degrees, and not all at one time.

Now, Mr. President, further in regard to the cotton mills of this country: They are like other enterprises. They have to buy their cotton in the open market, and of course they buy it as cheaply as possible. As I said before, I think it is a crime that cotton has gone down to such an extent as it has, away below the cost of production; but the mills buy that cotton in competition with mills of the world, and so far as the mills of the South are concerned they do not consume any very great quantity when it is considered among the consumption of the world. In the South we only have about 18,000,000 spindles, and in the whole United States there are only about 34,000,000 spindles. In Great Britain alone there are some 69,000,000 spindles, and in the whole world there are about 154,000,000 spindles. Therefore the mills buy their cotton in competition with the exporters and the mills of the world, and they sell their goods in the same way.

Not only that; the Government tax on mills has been enormous. They sometimes take as much as 80 per cent out of the profits in taxes. Furthermore, if the mills should declare an unreasonable amount in stock dividends, under section 220 of the act, a tax can be imposed on that stock dividend.

Now, Mr. President, I merely want to keep the record straight on these matters. I do not want mills to be put in any mistaken position, and, of course, I know my colleague did not intend to do it; I know that he and I both are particularly anxious

about trying to get a better price for what our people raise. But there should be greater cooperation between all industries in this country. I want the mills to make a return upon their investment, as I want the farmer to make a good return upon his investment, and I want every honest dollar in this country to earn a fair return upon itself. The management of our mills are amongst our best business men who have the interest of their communities and employees, as well as their stockholders, at heart. Mills would prefer to pay a higher price for cotton if world affairs and conditions could be stabilized. Fluctuation injures all.

Senator SMITH had read a letter from the Federal Trade Board in his remarks made before the Senate a day or two ago, which quoted an editorial from Commerce and Finance of June 20, 1920; conditions have changed disastrously since that time. He and I are most anxious that all our people may be happy and prosperous, and both are cooperating earnestly and wholeheartedly to secure a better price for what our people raise.

Mr. SMITH of South Carolina. Mr. President, I do not know but what I should rise to a question of personal privilege.

The VICE PRESIDENT. I think that would be something before the Senate.

Mr. SMITH of South Carolina. I do not mean that really seriously, but in part I do, for the reason that the accuracy of certain statements I made here on the floor have been questioned. They were in a way inaccurate, and therefore I am going to read a communication from the Federal Trade Commission sent to me this morning in response to a request on my part, showing just the facts in regard to the dividends claimed to be made, and I shall read this so that the whole matter can be put clearly. I shall not read the names of certain corporations mentioned in this communication, but will reserve them for any question as to my further accuracy. The communication is as follows:

FEDERAL TRADE COMMISSION,
Washington, December 20, 1920.

Senator E. B. SMITH,
325 Senate Office Building, Washington, D. C.

DEAR SIR: The following notes regarding stock dividends declared by certain cotton manufacturing companies may be of interest to you. These stock dividends are isolated cases that occurred in 1920 following the decision of United States courts that stock dividends are not taxable. Many others occurred which were not noted in financial and trade papers or of which I made no note at the time:

1. Commerce and Finance (New York) of March 27, 1920, stated that the recent decision of the United States Supreme Court declaring stock dividends not taxable was resulting in great activity in textile mill stocks. Stated that many New England mills were capitalized at about \$10 per spindle, while the replacement cost was estimated at \$50 per spindle. Reserves piled up during the war and were not distributed, because it was felt that such dividends would be taxable. With this bar removed by the United States Supreme Court decision it was stated that boards of directors who had been contemplating stock dividends would probably make distribution of surplus in the form of stock dividends.

2. Commercial and Financial Chronicle, May 8, 1920, page 1923, stated the following mills had declared stock dividends since the decision of the United States Supreme Court:

_____	100 per cent,	172,000 shares, no par value.
_____	66 2/3 per cent,	\$4,000,000.
_____	100 per cent,	\$2,500,000.
_____	100 per cent,	\$2,400,000.
_____	100 per cent,	\$750,000.
_____	100 per cent,	\$600,000.

3. Journal of Commerce, June 7, 1920, states _____ had decided on a 400 per cent stock dividend, consisting of a 300 per cent dividend in common and 100 per cent in preferred. Stated this to be the largest stock dividend paid up to that time by a southern mill.

Also that stockholders of the _____ ratified the action of the directors in declaring a stock dividend of 200 per cent.

Also stated that the _____ had paid the largest cash dividend yet paid, amounting to 60 per cent.

Also that many mills in addition to paying stock dividends have been paying 10 to 20 per cent cash dividends annually.

Mr. President, I made no other comment, other than to say that if the decline in the price of manufactured goods was not equal to the decline in the raw material, then the dividends which were made after such a decline were just as great as those before the decline. If it be true that they have declined in a ratio equal to the price of the raw material, I maintain that the conditions under which these organizations and other organizations may protect their profits, both in fixing the price of the raw material and in fixing the price of the finished product, and protecting their surplus and their profits, put them clear out of the class in which the agriculturist finds himself; and that is all I have to say about it.

Mr. DIAL. I would like to ask my colleague if that statement referred to was the June 20 statement.

Mr. SMITH of South Carolina. I believe the last one was.

Mr. DIAL. June 20, 1920?

Mr. SMITH of South Carolina. Yes.

Mr. DIAL. That is nearly six months ago?

Mr. SMITH of South Carolina. Yes.

Mr. DIAL. Since that time the bottom has dropped out of the mills' stock and the mills' products, and a great many of the mills which paid a dividend wish that they had never done it. They find themselves in the strange condition the rest of us are in, with our products on hand, cotton on hand, and other things on hand.

Mr. SMITH of South Carolina. I think there is no doubt about the fact that the mills suffered in this situation, as every other business in the country has suffered. But they are still in a position to better take care of themselves in their operations than the man who makes the raw material.

Mr. HARRISON. Mr. President, I understand that the Senate will adjourn in a few moments, and before it adjourns I desire to express myself on one question.

I did not desire to detain the Senate in the consideration of the resolution to revive the War Finance Corporation, although I was heartily in favor of section 2 of that joint resolution; I believed that it was best to accept the House amendment in order that the legislation might be passed immediately so that it might be placed upon the statute books.

I believe that that is the way we can render some real and substantial service to the people of the country, by creating credit so that they can seek markets and sell their products, wares, and goods. It was so broad that it applied in the end not only to agricultural products, but to every other kind of product. That is sensible and reasonable and sane legislation.

But I understand that there will be pending to-morrow or the next day in the House, and is now under consideration in the Committee on Ways and Means of the House, a bill which, upon its face, is supposed to be for the protection of the farmers of the country, but that is not its sole intent and purpose. It is a bill designed to place a high protection, or an embargo, I know not which—

Mr. THOMAS. Both.

Mr. HARRISON. Both, I presume, upon certain agricultural products coming into this country. It picks out and places in the list, I believe, corn, wheat, wool, live stock, some by-products of soy bean, and a great many other things.

Mr. President, I am opposed to that legislation. I do not propose, as a matter of emergency, to vote for a piece of temporary legislation that gives protection as high as that embodied in that resolution. I am opposed now, and have always been, to protection of any kind whatsoever. If my record and the record of most Democrats in the House and in the Senate has been consistent on one proposition, it has been on the tariff. We have believed in a tariff for revenue only, and have fought the Republican cry for protection for a very, very long time, and I would dislike very much to see any of our Democratic brethren in the House or Democratic brethren in the Senate vote now for legislation which would place a tariff on wool higher than was embodied in Schedule K of the iniquitous Payne-Aldrich tariff law.

The country will not be fooled by it. There is no cry from the farmers of the country for that kind of legislation. It is merely a forerunner, intended only to beat a path through which the Republican Party might travel in the coming session of Congress when a full tariff measure, with still higher protection, probably will be presented to the House and Senate. I doubt whether there is a single farmer organization in the country that has asked for this legislation. Certainly it was not promised in the recent campaign, because the tariff question was hardly heard of in the turmoil of that political battle. But the reason for the legislation is plain. It is clearly discernible.

The manufacturers of the country, the special interests of America, desire, in the writing of the new tariff law, to obtain as high a protection as is possible and are now lending aid ostensibly and giving sop to the farmers in the country, through their Representatives here in Congress, of a protective tariff on agricultural products, high, yes, absolutely indefensible, so that they can demand at the coming session that they be treated likewise.

The Democratic Party can not afford to stultify itself by going back at this time on a principle touching the tariff for which it has always stood and in which it has always believed. Its traditions are too dear, the rights of the people too great for that, and for one I pass the cup from my lips, and if the legislation ever passes the House and comes to the Senate I shall steadfastly oppose it and record my vote against it.

Mr. THOMAS. Mr. President, the Senator's speech is a source of great encouragement to me. That is the position I occupied at the last session of the Senate. I feel now that, with the stimulus of my young friend behind me, perhaps he and I will be able to keep a part of the Democratic Party in line upon its traditional policy, if that bill comes over to the Senate.

RECOGNITION OF THE SOVIET GOVERNMENT.

Mr. KING. Mr. President, I desire to offer a resolution for reference to the Committee on Foreign Relations. I have noticed during the past few days statements in a number of newspapers to the effect that our Government entertains the thought of recognizing the bolshevik government of Russia. In one newspaper these words are found:

At a meeting of the Cabinet to-day one member stated it would be necessary to work officially through the soviets to carry out President Wilson's plan for the relief of Armenia.

Mr. President, I can not believe that the administration contemplates recognizing the Lenin-Trotsky government, either as a de facto or as a de jure government.

The American people do not attempt to dictate the form of government which the people may establish in other lands. While we are solicitous for the welfare of the people of other nations, and are desirous that liberty and freedom shall be enjoyed by all, and that progressive and enlightened policies and governments shall be established, we have never sought to force any form of government upon the peoples of other countries.

The people of the United States have always entertained a friendly feeling toward the inhabitants of Russia. The relations between our Government and the Government of Russia for many years were of the most cordial character. There is no question but that we are deeply interested in Russia and solicitous for the peace and happiness of the people of that distracted and unhappy land. I am sure that our Nation would do everything within its power to aid the people of Russia and to help them in establishing a liberal and enlightened government under which peace and prosperity would come to all classes.

However, it is the right of our Government to determine when and under what circumstances it will accord recognition to any other government. There have been times in our history when we have for long periods denied recognition to governments which were exercising power and authority and were supported, if not by all at least by a portion of the people, subject to their control. It has been the policy of our Government not to intimidate other nations or, by refusing to accord recognition, to compel the adoption of a form of government which would more nearly accord with the views of the American people. We have insisted, as it was the right of this Nation to do, that those with whom we have held diplomatic and official relations should observe the recognized principles of international law and that code of morals and honor which should obtain between civilized sovereign nations.

The United States refused to recognize Huerta's government in Mexico. Huerta had risen to a position of power by methods abhorrent to civilized people. In the end, another President was selected, and recognition was accorded the Carranza government. When the Czar was overthrown Kerensky organized a government in Russia. As I recall, his government was promptly recognized by the United States.

It is quite likely that if the bolshevik government, notwithstanding its destructive political and economic views, had observed the rules governing the relations of civilized people, and had acknowledged its obligations to other nations, it would have been recognized by the United States. But the soviet government, when it seized authority in Russia, announced its purpose to destroy not only the United States but all other Governments, and to level all lines of nationalism and precipitate the people of the world into one colloidal mass. It engaged in atrocious and sanguinary crimes at home, and inflicted the most horrible and brutal cruelties upon the Russian people themselves. It sought to destroy the intellectuals and to prevent the majority of the people from establishing a stable government, one in which the forms of law would be observed, and under which Russia might assume her proper station among the civilized nations of the world.

Lenin and Trotsky sent their agents into our country, as well as into other countries, for the purpose of fomenting international and domestic strife and to bring about disorder and revolution. The hand of the bolsheviks was raised against all nations and against law and order everywhere. The United States was regarded as an enemy of the sinister and destructive forces represented by the soviet government, and it was therefore the particular object of enmity and hatred. The bolshevik government has ruled in a brutal and tyrannous manner over the Russian people and has denied to them the free expression of their will. The Russian people do not desire bolshevik rule. The overwhelming majority of the people of that

unhappy land desire freedom and emancipation from brutal and unbearable conditions under which they are now compelled to exist.

A recognition of Lenin and Trotsky would not be a recognition of the Russian people; it would be an act hostile to the great mass of Russia's inhabitants, one which, in my opinion, would militate against their interests and the early establishment of a government in Russia which will represent the wishes of the people and give them opportunity for industrial and economic freedom as well as political and religious liberty. It would be, as I regard it, a frightful mistake for this great, free Nation to accept the bloody hand extended by Lenin and Trotsky. We know that while they would stretch forth one hand, professedly in friendship, the other would carry a dagger with which they would destroy this Republic. A recognition of the soviet government of Russia would be a repudiation of our past policy and would give moral support to the bloody and brutal autocracy which is crushing the unfortunate people of Russia.

Senators will recall that for nearly two years a representative of the soviet government has been in our midst, and in a brazen and audacious manner he has pretended to be the ambassador of the Russian Government. He has sought to spread seditious doctrines and to inculcate the destructive creed of the third internationale congress. His mission seems rather to have been to create disunion among the American people, and to alienate them from their Government and undermine their faith and confidence in republican institutions.

More than a year ago I urged the deportation of Mr. Martens. I called the attention of the Labor Department to the fact that under existing law he was subject to deportation and that he should immediately be arrested and expelled from the United States. Fortunately, the Secretary of Labor at last appreciated his duty in the premises, and he has within the past few days ordered the deportation of this undesirable alien.

Before the resolution which I submit is read, I desire to call attention to the attitude of Mr. John Spargo, the well-known American socialist. Mr. Spargo has investigated the soviet government, and has reached definite conclusions concerning its purposes as well as the consequences of its operations. Those who know Mr. Spargo will be compelled to admit his liberal tendencies and his natural disposition to support an economic or political creed which would give to the masses of the people greater control in the affairs of government as well as greater power in industrial concerns. I have no doubt that he approached the investigation of the bolshevik government in a sympathetic manner, and with a desire to find in the new régime a panacea for what he conceived to be the evils of capitalistic government. Mr. Spargo is an honest and conscientious American, and his investigations have compelled him to condemn bolshevism and to unmask its false pretenses and reveal its hideous and misshapen form to the world.

In a recent address at the Cleveland Chamber of Commerce, where Mr. Spargo analyzed the statements of Mr. H. G. Wells, the noted English socialist, and dissented from some of the views which that writer expressed, he declared that bolshevism is responsible not only for the plight of Russia but for a great deal of the tragic misery and suffering now rampant in Europe. He further states that the most important question of international policy confronting the incoming administration is that of determining what our policy with respect to Russia is to be. Mr. Spargo alludes to the fact that our industrial and commercial life is necessarily linked with the restoration of commercial and industrial life in Russia, and states that it is a fact "known to every statesman that there may be no real restoration of Europe, no solution of the great problem of reconstruction, until Russia is brought into wholesome and normal relations with the life of the rest of the world."

Notwithstanding the necessity of commercial relations with Russia, Mr. Spargo does not advocate a recognition of the Lenin-Trotsky government, but, upon the contrary, advises against that course. Let me read what he says upon this matter:

Impressed by these facts, a good many people have surrendered to a shrewdly conducted bolshevik propaganda in this country and are demanding the revision of the policy announced by Secretary of State Colby in August last. They are demanding the recognition of the bolsheviks as a demand of extensive trade relations.

Concerning these demands I have only to say that, in my judgment, anything more disastrous, and more certain to lead to economic anarchy and ruin, imperiling the whole fabric of civilization, it would be impossible to conceive. That is not my opinion only, but I know it to be the conviction of the best minds of Europe, regardless of nationality or political partisanship.

Not only do bolsheviks not represent the will of the Russian people, but what is more important, they do not propose to hold honorable

relations with us. Their major purpose is not the realization of their Communist program in Russia, but the destruction of the economic and political systems of the great commercial and industrial nations, especially the United States.

We gave our recognition immediately and without reservation to the government which was set up in Russia after the revolution, which honestly sought to base its rule upon the will and interests of the Russian people. We can not now in good faith give it to this unscrupulous power, which exists by brute force and has repudiated the very idea of responsibility to the people.

Mr. President, there are some further aspects of this question which I should like to discuss, but I shall not at this time further detain the Senate.

In conclusion, let me add that, in my opinion, this Government can never afford to recognize, in any manner, a faction or dictatorship or government which adheres to the doctrines announced in the third internationale congress, and attempts to carry them into effect and overthrow by force our institutions and by revolutionary propaganda our Nation, as well as all other civilized nations in the world. It is said that Lenin wrote that political creed. Whether he did or not, it is the emanation of the bolshevist government and Lenin and Trotsky and the organization of which they are representatives are committed to its execution. This creed calls for the overthrow of all nations and pledges the soviet government to unrelenting war to the accomplishment of that end. Bolshevism, therefore, is at war with our Nation and all civilized nations; it seeks the destruction of the finest and the best there is in the world, the overthrow of our Christian civilization and the plunging of humanity into an abyss from which there is no escape.

Mr. President, I ask that the following resolution be read and then referred to the Committee on Foreign Relations.

The resolution (S. Res. 408) was read and referred to the Committee on Foreign Relations, as follows:

Whereas the so-called soviet socialist dictatorship in Russia pretends to be the successor of the former legal and recognized Government of Russia and is seeking political and diplomatic recognition from the Government of the United States; and

Whereas said soviet socialist dictatorship has repudiated the acknowledged and legal obligations of the former Government of Russia to other governments and to the nationals of other governments with whom it was in contract relations; and

Whereas said soviet socialist dictatorship has ignored and refuses to recognize the duties and obligations of nations under international law, including the obligation of honor and good faith in the keeping and performance of international treaties; and

Whereas the professions and acts of said soviet socialist dictatorship in Russia are incompatible with the principles of public order, and the liberty, rights, and property of individuals as established in the law of all civilized States; and

Whereas said soviet socialist dictatorship has carried on a propaganda in the United States for the destruction of public order and private rights, which propaganda is inimical to the interests of the United States, and constitutes an offense against the Government and people of the United States; and

Whereas said soviet socialist dictatorship acknowledges no common ground of international law or honor to sustain political and diplomatic relations between the Government of the United States and said soviet socialist dictatorship pretending to be the Government of Russia: Now, therefore, be it

Resolved by the Senate of the United States, That it is the sense of the Senate that the Government of the United States do not recognize the present soviet socialist dictatorship in Russia as either a de facto or de jure government, and that the Government of the United States do not enter into political or diplomatic relations with said dictatorship or with any persons claiming authority under the same.

ORDER OF BUSINESS.

Mr. FLETCHER. Mr. President, before a motion is made to adjourn, I would like to remind Senators on the other side that quite a few nominations have been sent in, which can not be referred to the appropriate committees or acted upon until we have an executive session in order that they may be laid down and appropriately referred. I, therefore, suggest that the motion take the form of an executive session for the purpose of having the nominations referred to proper committees in the hope that they will be promptly acted upon and duly confirmed.

Mr. CURTIS. Mr. President, the majority is not ready to have an executive session just at this time.

INTERFERENCE WITH COMMERCE.

Mr. POINDEXTER. Mr. President, a few days ago the Senator from Wisconsin [Mr. LA FOLLETTE] made a motion to reconsider the vote of the Senate by which the bill (S. 4204) to prohibit interference with commerce was passed. Some days have elapsed since that motion was made. Under very common procedure in the Senate a motion to lay the motion to reconsider on the table might have been made, but a motion to lay the motion to reconsider on the table is not debatable, so that I have refrained from making that motion, because the motion to reconsider, as I understand it, is debatable and would give an opportunity for those who desire to be heard upon the bill to express their views.

I desire to say, however, that unless it is brought up within a reasonable time by those who proposed it, and presented to the Senate, so the Senate may have an opportunity of completing the business which it has begun, I shall be very much disposed to make a motion to lay on the table, after waiting a sufficient length of time which seems to be reasonable for those who are interested in the discussion of the bill to do so.

The bill simply seeks to apply to a great agency of the Government—transportation—the same protection of the law which every individual citizen now has.

Mr. KENYON. I ask the Senator from Washington if he would object to an interruption to suggest the absence of a quorum? There are a number of Senators who are interested in the measure who are not here. I think if it is to be discussed it might be well to have them here.

The VICE PRESIDENT. I think it will be well to get the opinion of the Chair. The bill was passed under a call of the calendar under Rule VIII. The Chair will hold that the motion to reconsider is still a part of the procedure under Rule VIII, and as that rule provides that a Senator may speak but once and for no more than five minutes, the Chair thinks it advisable to call attention to that fact in this matter.

Mr. ROBINSON. Mr. President, a parliamentary inquiry. Is the motion to reconsider now before the Senate?

The VICE PRESIDENT. No; it is not up for reconsideration, but the Chair thinks that the situation is as explained by the Chair, that the bill having been passed when reached on the calendar under Rule VIII, the motion to reconsider must be governed by Rule VIII.

Mr. KENYON. That is, limiting discussion to five minutes? The VICE PRESIDENT. Five minutes and one speech.

Mr. POINDEXTER. I am very glad that the Chair has announced his view. That clarifies the situation somewhat. If those who were opposed to the bill are satisfied with five minutes discussion of it, I am sure that those who are in favor of it will be satisfied with that amount of time. However—

Mr. KENYON. May I ask the Senator, Does that mean that a motion to table it is not in order?

Mr. POINDEXTER. I must refer that to the Chair.

The VICE PRESIDENT. Perhaps it was not good practice, but the Chair has been inquired of as to whether, if the motion to reconsider prevails, an objection may then be entered to the further consideration of the bill. The Chair has expressed the opinion that it can be objected to, and it thereupon would have to go back to the calendar unless some Senator moved to proceed to the consideration of the bill and it was so ordered by the Senate. In other words, the bill having been considered under Rule VIII and passed under Rule VIII, the motion to reconsider comes under Rule VIII. If the bill be reconsidered any Senator may object to the further consideration of the bill and it goes to the calendar, unless there be a motion made to proceed to the consideration of the bill notwithstanding the rule. The Chair is therefore of the opinion that if Rule VIII applies in one particular it must apply in all, and that the debate is limited to five minutes.

Mr. ROBINSON. If the Senator from Washington will yield to me, I should like to make a brief statement, not in his time.

Mr. POINDEXTER. I will conclude in just a moment and yield the floor.

The VICE PRESIDENT. There is nothing before the Senate.

Mr. ROBINSON. I understand that, but I do not care to raise that point of order.

Mr. POINDEXTER. I only desire to occupy the floor a moment. There has been a great deal said, so I am informed, about the manner in which the bill was passed. I desire to say in that connection that it passed in the ordinary course of business of the Senate. It was not taken up upon special motion, but was passed upon call of the calendar.

I am referring to certain objections as to its passage that I have heard on the part of some of those who are opposed to the bill. I call attention to the fact that I was present at the time the bill passed, but made no motion or statement in regard to it. It passed upon the machinery of the consideration of the calendar of the Senate.

I beg leave to say this further in regard to the nature of the bill—

Mr. KENYON. May I ask the Senator before he proceeds, because so much has been said about the method in which the bill was passed, how many Senators were present in the Chamber at the time it was passed?

Mr. POINDEXTER. I have no idea how many Senators were present. I was present myself.

Mr. KENYON. I have heard it stated there were only three Senators present. I had been in the Chamber previous to that, but was called out, and when I got back the bill had been passed.

Mr. SMOOT. There was the usual number present.

Mr. KENYON. The usual number? There must have been five here then. I had hoped that regardless of anyone's feelings about the bill and its merits and the final passage the motion to reconsider could be agreed to so there might be a discussion of the bill before it was passed.

Mr. POINDEXTER. I am perfectly willing, Mr. President, I will say, so far as my interest in the bill is concerned, if we can have a date fixed for the vote upon the bill directly, that I would consent, and I hope the Senate would consent, to a reconsideration, upon the condition that the date for a vote upon the bill be fixed. If that is agreeable to the opponents of the bill, I shall be very glad if they will suggest it. Then there would be such time for debate as would be agreed upon by the Senate by unanimous consent, if there should be a unanimous-consent agreement.

I wish to say, as I was proceeding to say a moment ago, that there is nothing in the bill which imposes any penalty upon anyone for quitting his employment. That is true whether he quits as an individual or as a member of an organization; whether employees quit singly or quit all together. There is no language in the bill that imposes any penalty on anyone for quitting his employment.

Mr. McKELLAR. Mr. President—

Mr. POINDEXTER. Just a moment. There is, however, a penalty provided in the bill against those who interfere with others who are employed in interstate commerce with the purpose and intent of impeding or obstructing such commerce, or who, by threats or intimidation or by force or violence, interfere with others who are engaged in interstate commerce, or who agree or conspire together with the intent and purpose of impeding or obstructing interstate commerce. Those are the acts which are penalized by this measure, and not the mere quitting of employment.

When the proper time comes for the discussion of the bill I hope to have an opportunity of briefly stating to the Senate the importance of imposing penalties for acts of that kind, with the view of setting up the same method of decision or administration of economic disputes between classes in the country that is now set up for the settlement of disputes between individuals in the community, who are not allowed to fight out their differences upon the street, to the inconvenience and the suffering of the community as a result. The purpose is to substitute the law for force and violence, and I assume that that is the central principle upon which this Government is founded.

Mr. ROBINSON. Mr. President, I do not care at this time to enter into a discussion of the merits of the bill, but to point out the fact that I think, in view of the history of procedure in the Senate under Rule VIII, the motion to reconsider ought to prevail as a matter of right and fairness. It ought to be confessed. In saying that I do not intend to criticize the author of the bill or anyone else for not making the objection which any Senator under Rule VIII could have made when the Poindexter bill was reached on the call of the calendar; but we all know, Senators, that bills of this character are not usually passed by unanimous consent. This subject and related subjects were discussed for days when the Senate had under consideration what we now know as the "transportation act." The Senate by a small majority adopted a provision analogous but not identical with that which is contained in the bill of the Senator from Washington; but it receded from that position in conference. There is not a Senator who does not know that an objection would have been made to this bill if Senators who are opposed to it had been informed that it was going to be called up.

This is an important measure; it is a contested measure; and proceedings under Rule VIII for the consideration of unobjected bills on the calendar during my service in the Senate have never recorded the passage of a bill of this character.

There are bills on the calendar that involve the claims of injured soldiers that have been objected to month after month. This bill relates to an issue of very great importance, and the Senate, if it wants to pass the bill, ought to fight it out. We should discuss it and take a vote on it. Those who are opposed to the bill should have the opportunity to give the reasons for their opposition.

I know that it can be answered that every Senator ought to be here at his post when the calendar is called and that therefore anyone opposed failed to do his duty when he was not here ready to object when this bill was reached on the cal-

endar; but we know the procedure of the Senate when we are considering the calendar, and we know that Senators have a multiplicity of duties outside this Chamber that make it impossible for them to stay here all the time.

To insist upon a denial of the motion to reconsider does not mean that the end of the Senator from Washington likely will be accomplished or the enactment of the legislation that is contemplated in his bill will be expedited by one day. Speaking quite frankly on the subject, I desire to say there is not a possibility that the bill will pass both Houses of Congress and become a law during the present session of Congress.

The body at the other end of the Capitol declined to accept a similar provision during the last session of Congress. A compromise was effected in the transportation act by which Government tribunals were created to adjust controversies arising between railroads and their employees. Those tribunals have proven not completely satisfactory, but effective. What is the advantage to this body; what is the advantage accruing to the country to insist upon a snap judgment in a question of this importance; a question that is contested and that every Senator here knows is contested? Why renew agitation of antistrike legislation when no strike is impending? Why not try out further the system of adjustment now employed?

I neither express nor imply criticism of any Senator who was present and failed to raise an objection; technically speaking, it was the duty of those who were opposed to the bill to exercise their privilege and make the objection; but the Senate spends days and even weeks in discussing unobjected bills; it has consumed this entire day in the discussion of a measure for which every Senator voted, and I do not propose to put myself in the attitude of insisting upon the right of discussion in the Senate upon bills that are not objected to and of denying that right upon bills that are objected to.

So far as I am concerned, I shall vote and fight for the motion to reconsider, and it will not make me friendly to the measure to see its advocates insist that those who are opposed to it shall be denied an opportunity of either expressing or registering their opposition merely because they had no actual notice that the bill would be called up.

Mr. THOMAS. Mr. President, I am not at this time either an advocate or an opponent of this bill. I attend the sessions of the Senate with reasonable consistency, and I recall that when the calendar was up for consideration a few days ago there were very few Senators present. I know that a great many bills were objected to, and quite a number were disposed of. I myself was not in the Chamber when this bill was reached, and I do not know whether I would have objected to it or not at the time. However, I fully agree with the Senator from Arkansas that a bill of this importance, which is known to be controverted, should be enacted into law only after the fullest discussion. Hence the motion to reconsider should, in my judgment, be carried, thus giving to every Senator, both those who advocate and those who oppose the measure, the opportunity to inform the Senate as to the reasons for their respective positions. So, under the circumstances, I think the motion for reconsideration should prevail.

Mr. SMOOT. Mr. President, I was present in the Chamber when the bill passed, but my attention was diverted in one way or another, and I did not follow the bill closely; but even if I were for the bill, and knew that I would vote for it, if a motion were made to reconsider the bill I should vote for the motion.

ADJOURNMENT TO THURSDAY.

Mr. CURTIS. I move that the Senate adjourn until Thursday next at 12 o'clock.

The motion was agreed to; and (at 4 o'clock and 30 minutes p. m.) the Senate adjourned until Thursday, December 23, 1920, at 12 o'clock meridian.

NOMINATION.

Executive nomination received by the Senate December 20, 1920.

MEMBER OF THE FEDERAL TRADE COMMISSION.

JOHN F. NUGENT, of Boise, Idaho, to be a member of the Federal Trade Commission for a term of seven years, vice William B. Colver, term expired.

CONFIRMATION.

Executive nomination confirmed by the Senate December 20, 1920.

MEMBER OF THE FEDERAL TRADE COMMISSION.

JOHN F. NUGENT, of Boise, Idaho.

HOUSE OF REPRESENTATIVES.

MONDAY, December 20, 1920.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, let Thy protecting arms go out to the innocent and unwary, now that an unprecedented wave of crime is going on throughout the length and breadth of our land. Many hearts are broken and many homes are left desolate. Strengthen, we beseech Thee, the arm of the law, that it may reach out to the culprits and place them where they can do no harm; that they may be taught the sanctity of life and the value of property; that the unrest throughout our country may cease, and peace and order maintained, to the honor and glory of Thy holy name. In the spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of Saturday, December 18, 1920, was read and approved.

PROTECTING DEPOSITS IN NATIONAL BANKS.

Mr. McCLINTIC. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes on the subject of banking legislation.

The SPEAKER. When?

Mr. McCLINTIC. Now.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to address the House for 10 minutes now on the subject of banking legislation. Is there objection?

There was no objection.

Mr. McCLINTIC. Mr. Speaker, I wish to address myself briefly to the subject of protecting depositors in national banks. I am fully cognizant of the fact that there may be some who will disagree with me relative to my ideas on this subject. However, I am thoroughly convinced that it will only be a short while before it will be necessary for the great Banking Committee and this House to consider legislation of this kind in order to keep step with the progress that is being made by civilization.

I am thoroughly of the opinion that the great Federal reserve act is sufficient to protect this country against any kind of a financial panic. However, I am in favor of providing additional legislation which will be of service to the banking institutions and those who deposit money in the same. The Federal reserve banks in 1918 made over \$55,000,000 in profits, and in 1919 the enormous sum of \$88,000,000 was likewise made in profits. In my opinion a portion of this money should be placed into a fund each year for the purpose of protecting depositors in national banks.

Bankers, as a rule, are honest. However, their business is always coupled with certain kinds of risk. In the wheat and cotton growing sections of the United States it is necessary for banks to furnish the capital that is needed to move the crops. During the past year market situations have, indeed, been very bad, and for months at a time it was practically impossible for owners of cotton to dispose of the same. Conditions of this kind bring about serious hardships on banking institutions, and in some cases where markets could not be found the financial conditions of banks extending this kind of aid have been seriously impaired.

If there is any one thing that will disturb and disrupt a peaceful community, it is the crash of a bank failure. In many cases occurrences of this kind are responsible for suicides and the mental unbalancing of individuals.

Recently in the South a banker sent a bullet crashing into his brain, when, if he had only known it, in a few days he would have received sufficient help to have enabled his bank to continue business. This banker preferred to take his life rather than face his friends who had entrusted him with their funds. If the depositors in his bank could have been protected by a depositors' guaranty law, then the chances are he would not have taken his life, as it is more than probable that there could have been found some way to tide the institution over this crisis.

A few days ago I heard a Member of Congress make a most remarkable statement in this connection, and I am sure that I will violate no confidence when I state the facts in the case. He and five others were elected as directors of a large business institution, and the manager of the same in order to hedge certain contracts became a speculator on the stock markets, which resulted in a loss of over a million dollars. All of the directors, except this Member of Congress and one other party, preferred to commit suicide rather than face the humiliation of confronting those who had entrusted this business into their care. It is

to the credit of this Member of Congress that he assumed his proportion of the liability and paid off the same in after years.

It is no wonder that his people have rewarded him by his election to this body, as his record is such as to entitle him to the commendation and the praise of all who know him. [Applause.]

Several States have already provided adequate bank guaranty laws. These are working successfully and the depositors in banks having this protection have never lost any money because of a bank failure. When a national bank fails a receiver, an attorney, and other kinds of professional help are employed to wind up its affairs. As a rule these are imported from some other section of the country and they do not have definite information as to the kind of paper that is subject to collection. In many cases the assets are disposed of at a loss, when, if the same could have been handled through the instrumentality of a depositors' guaranty law, more money could be derived for the depositors, and the expense could be reduced to a very low minimum. As a rule in States where the depositors of banks are guaranteed by law, when a bank fails instead of the public being embarrassed and the financial conditions being disturbed, the institution is sold to some other person, and the assets of the same are handled in such a way as to provide the greatest amount of money without the people being disturbed by reason of the change. To my mind it is far better to protect depositors of banks in this manner than to follow the old system, which has always brought about a great deal of sadness and misfortune to the community in which the institution was located.

The member banks of any Federal reserve district are not entitled to participate in the profits made by the Federal reserve banks, yet they are indirectly responsible for the success of the institution.

I can see no good reason why it would not be fair and right to set aside into a fund 10 per cent of the net profits of each Federal reserve bank annually for the purpose of protecting deposits in national banks, and I am hoping that the banking committee of this House will feel warranted in the interest of right, humanity, and justice to immediately allow a hearing to be held so that those interested in this subject may have the opportunity of presenting their ideas.

I have prepared a bill which I do not claim to be perfect, yet it provides the machinery which, in my opinion, will greatly improve the present plan of taking care of defunct banking institutions:

A bill (H. R. 15012) to provide for the creating of a national depositors' guaranty fund in each Federal reserve district, to be used for the protection of depositors in national banks and trust companies, and authorizing the Comptroller of the Currency to have supervision over the same.

Be it enacted, etc., That wherever the word "bank" is used in the act, the word shall be held to refer to any national bank or trust company which has complied with the provisions of the Federal reserve act and has been designated as a member bank.

Wherever the word "comptroller" is used in the act, the word shall be held to refer to the Comptroller of the Currency.

Sec. 2. That the comptroller is hereby authorized upon the passage and approval of this act to have full supervision over the national depositors' guaranty fund, which is hereby created and established for the purpose of protecting depositors in banks having a full membership and enjoying all the privileges granted under the provisions of the Federal reserve law: *Provided*, That the term "depositors" shall be held to include only individuals or institutions that have money on deposit in banks and do not draw or receive interest from any source for the use of same.

Sec. 3. That the act of March 3, 1919, relating to the disposition of profits of Federal reserve banks is hereby amended to read as follows: "After the aforesaid dividend claims have been fully met, 10 per cent of the net earnings of each Federal reserve bank each year shall be deposited to the credit of the national depositors' guaranty fund in said bank, subject to be disbursed by the comptroller in paying off depositors of defunct banks. The balance of the net earnings shall be paid to the United States as a franchise tax except that the whole of such earnings, including those for the year ending December 31, 1918, shall be paid into a surplus fund until it shall amount to 100 per cent of the subscribed capital stock of such bank, and that thereafter 10 per cent of such net earnings shall be paid into the surplus."

Sec. 4. That the comptroller is hereby authorized and directed to levy against the capital stock of each bank coming under the provisions of this act an annual assessment of one-half of 1 per cent of the average daily deposits, less the deposits of the United States and State funds if otherwise secured, for the preceding year, and he may direct the same to be deposited in the bank assessed, to the credit of the national depositors' guaranty fund, or to the credit of this fund in the Federal reserve bank of the district in which the member bank is located: *Provided*, That deposits to the credit of the national depositors' guaranty fund, in member banks assessed for this purpose, shall not be subject to draw interest, and the comptroller is hereby authorized to withdraw any part or all of this fund at any time the same is needed to pay off depositors of any bank.

Sec. 5. That banks hereafter organized which are entitled to the protection authorized by the national depositors' guaranty act shall pay into the national depositors' guaranty fund at the direction of the comptroller 2 per cent of the amount of their capital stock, which amount shall constitute a credit fund subject to adjustment on the basis of its deposits at the end of the first year's business, and thereafter assessments shall be made as is provided for in section 4 of this act: *Provided*, That the said 2 per cent payment shall not be required

of new banks formed by the reorganization or consolidation of banks which have been previously assessed for this purpose.

SEC. 6. That 60 days after the passage and approval of this act the comptroller shall notify each bank entitled to receive protection through the national depositors' guaranty fund that the assessments authorized have been made and he shall designate the bank where the deposit shall be placed. As soon as a bank has complied with the provisions of this section, the comptroller shall furnish to said bank a certificate which shall recite that said institution has complied with the provisions of the national depositors' guaranty act, and the bank receiving the same shall be permitted to advertise that its depositors are protected by the national depositors' guaranty law.

SEC. 7. That the comptroller is hereby authorized to increase the assessment made against banks in any Federal reserve district when it becomes necessary to provide funds to take care of an emergency: *Provided*, That the assessment made shall be used for no other purpose than is provided for in this act, and that the same shall not exceed the sum of 1 per cent of the average daily deposits based on the preceding year's business: *Provided further*, That if the assessment hereby authorized does not provide sufficient funds to pay off depositors in defunct banks, the comptroller is hereby authorized to borrow from the national depositors' guaranty fund of any Federal reserve district an amount sufficient to take care of any emergency situation, and the Federal reserve bank loaning such funds shall be entitled to receive interest at a rate not to exceed 6 per cent per annum.

SEC. 8. That the comptroller is hereby authorized and empowered to issue certificates of deposit to depositors of defunct banks, drawn on the national depositors' guaranty fund of any Federal reserve district, bearing interest at a rate not to exceed 6 per cent per annum in case the amount to the credit of the national depositors' guaranty fund is not sufficient to pay off the depositors and loans can not be obtained from other Federal reserve banks.

SEC. 9. That whenever the financial condition of a bank becomes impaired to the extent it becomes necessary for the same to be closed, the comptroller shall as soon as possible thereafter issue checks drawn on the national depositors' guaranty fund in the Federal reserve district where the bank is located to the depositors entitled to receive the same: *Provided*, That nothing in this act shall exempt stockholders of defunct banks from any individual liability other than that which is already provided for, and the comptroller is hereby authorized to place to the credit of the national depositors' guaranty fund any moneys that may be collected from stockholders of defunct banks and to use the same in paying off depositors.

SEC. 10. That the comptroller is hereby authorized to provide necessary rules and regulations covering all assessments, payments of claims to depositors, transferring of funds from one bank to another, borrowing funds from Federal reserve banks, issuing of certificates of deposit, and to provide any additional regulations that will be necessary to carry out the provisions of this act.

SEC. 11. That any bank failing or refusing to comply with the provisions of this act shall be subject to a fine of \$100 per day, and at the end of 30 days, if the bank fails or refuses to pay the accrued amount, the comptroller is authorized to cancel its charter and to liquidate the business of said institution: *Provided*, That any moneys collected under the provisions of this section shall be deposited to the credit of the national depositors' guaranty fund.

I have never talked with a national banker but what was in favor of legislation of this kind. I know that the depositors who patronize national banks will welcome this kind of a law, and I am sure that any legislation which will improve the financial conditions of our Nation in the future will be welcomed by all of the people. [Applause.]

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed joint resolution (S. J. Res. 227) extending until January 31, 1921, the time within which the special joint committee created by the naval appropriation act approved June 4, 1920, is required to make its report to the Congress of the United States, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3259. An act for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States.

PRODUCERS OF AGRICULTURAL PRODUCTS.

Mr. VOLSTEAD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 13931) to authorize the association of producers of agricultural products, disagree to the Senate amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to take from the Speaker's table the bill H. R. 13931, disagree to the Senate amendments, and agree to the conference asked for by the Senate. The Clerk will report the bill.

The Clerk read the title of the bill, as follows:

A bill (H. R. 13931) entitled an act to authorize the association of producers of agricultural products.

The SPEAKER. Is there objection to the request of the gentleman?

Mr. GARD. Reserving the right to object, Mr. Speaker, is this the so-called Capper-Hersman bill, with the Hersman part stricken out and the Volstead part substituted last June?

Mr. VOLSTEAD. Yes. This is a substitute for it.

Mr. GARD. I understand it was passed by the Senate.

Mr. VOLSTEAD. It was passed by the Senate with a number of amendments, and one amendment especially is clearly an error.

Mr. GARD. What are the remaining objectionable amendments?

Mr. VOLSTEAD. I am not prepared to say just what will be objectionable. Of course, I assume that the House bill is what the House would want, but the last amendment is clearly erroneous. It refers to one act, the Clayton Antitrust Act, as the one that punishes unfair methods of competition. The Clayton Antitrust Act does not do that. It is the Federal Trade Commission act that does that, and that error ought to be corrected.

Mr. GARD. Does the gentleman think the bill should go to conference?

Mr. VOLSTEAD. It will have to go to conference for that purpose.

The SPEAKER. Is there objection?

There was no objection, and the Speaker appointed as conferees on the part of the House Mr. VOLSTEAD, Mr. GRAHAM of Pennsylvania, and Mr. SUMNERS of Texas.

CALENDAR FOR UNANIMOUS CONSENT.

The SPEAKER. To-day is unanimous-consent day. The Clerk will call the Calendar for Unanimous Consent.

FEDERAL BUILDING, CORDOVA, ALASKA.

The first business on the Calendar for Unanimous Consent was the bill (H. R. 12437) to authorize the expenditure of the sum of \$100,000, heretofore appropriated for the erection of a United States post office, courthouse, and jail at Cordova, Alaska, by the act approved March 4, 1913, for the erection of a United States courthouse and jail at Cordova, Alaska.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARD. Reserving the right to object—

Mr. GARRETT. Mr. Speaker, will the gentleman yield for an inquiry?

Mr. GARD. Yes.

Mr. GARRETT. When was that bill reported?

The SPEAKER. April 20.

Mr. GARD. Mr. Speaker, is there anyone here from the Committee on Public Buildings and Grounds to answer some questions?

Mr. JOHNSON of Washington. I suggest that this bill be passed without prejudice.

Mr. GARD. I ask unanimous consent that the bill be passed without prejudice.

The SPEAKER. The gentleman asks unanimous consent that the bill be passed without prejudice. Is there objection? There was no objection.

THE STATUTES.

Mr. LITTLE. Mr. Speaker, by direction of the Committee on Revision of the Laws, I move that the bill (H. R. 9389) to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919, a bill of 10,747 sections, now on the Clerk's desk, be considered by the House, that the rules be suspended, and that it be passed, being read by title only.

The SPEAKER. The gentleman from Kansas moves to suspend the rules and pass the bill referred to, to be read by title only. The Clerk will report the bill.

The Clerk read the title of the bill (H. R. 9389) to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919.

The SPEAKER. Is a second demanded?

Mr. MOORE of Virginia. Mr. Speaker, I demand a second.

Mr. LITTLE. I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Kansas asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Kansas [Mr. LITTLE] has 20 minutes, and the gentleman from Virginia [Mr. MOORE] has 20 minutes.

Mr. MOORE of Virginia. Mr. Speaker, I shall only detain the House for but a minute, because I think it is obvious that this bill is generally approved. We all know, of course, that one feature that has marked the development of Government for a long time has been the great increase in the enactment of statute law. I recall that Campbell, in his *Lives of the Lord Chancellors*, speaks of a session of the English Parliament held at Yarmouth that enacted but a single statute, which was designed to protect the Yarmouth fisheries. Now, of

course, Parliament turns out annually a very large body of statute law. The other day the gentleman from Kansas showed us a volume containing the statutes enacted at the first session of Congress—a very thin volume. But we are in a new time, and every legislative body in the civilized world now produces a large number of statutes at each session. That is notably the case here, and that fact emphasizes the need for a periodical codification or compilation of our statute law. The need is extremely urgent now, and, as I tried to state the other day, the demand for what we are endeavoring to do proceeds from many sources. Now, one of two things is necessary—this is the alternative—either that we shall now adopt no codification revealing the living statute law of the country to the public in a convenient form, or else that we shall pass a bill in the manner in which it is proposed to put this bill through. If we decline to pass this bill, there will be postponed to some very indefinite future date the execution of a most important work. If the bill is passed now and without detailed discussion, I realize fully that the House trusts a great deal to the committee that is responsible for this compilation.

Mr. HUDSPETH. If the gentleman will yield, I want to state to my friend from Virginia I think if every Member of the House had observed the work of this committee as I have they would not feel any question about the correctness of this bill. [Applause.]

Mr. MOORE of Virginia. I am much obliged to my friend. I must, however, say that none of us can claim to have done as much in this connection as the chairman of the committee [Mr. LITTLE]. He has addressed himself to the task with unsparring diligence. I might have competed with him except that for a part of the period I was engaged in trying to avoid the consequences of a possibly altogether fatal landslide. [Laughter.] Now, with reference as to how the committee has carried on its enterprise, whether it has done its duty satisfactorily, I can only testify that we have used every possible precaution to avoid error. Coupled with the fact that the utmost care has been exercised, consider the saving clauses that are appended to the compilation which quite comprehensively guard against the effect of any error which may have been committed, I believe the House may regard the compilation as being just about as accurate as it could have been made under any circumstances whatever.

Mr. BEE. The committee having gone over the codification carefully, I supposed it was possible to put it in alphabetical order—A, B, C. I notice, for example, however, that the Internal Revenue is close to the end of the codification. There is no way by which it could be alphabetically arranged as to the different subjects?

Mr. MOORE of Virginia. It was hardly possible to do that. It may be assumed that a full and analytical index, such as will be provided, will avoid any such difficulty as the gentleman has in mind.

Mr. BEE. I am satisfied that the gentleman has the right idea in mind.

Mr. GARD. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. GARD. How is the index made, may I inquire?

Mr. MOORE of Virginia. The index of the Statutes at Large, as I understand, is made under the supervision of the Joint Committee on Printing, and is by extremely competent men. We can take it for granted that the index to this volume will be made similarly, and that it will undoubtedly afford the easy opportunity of quickly ascertaining exactly where any particular provision can be found.

Mr. GARD. Of course, the index is extremely important.

Mr. MOORE of Virginia. Yes; the index is of extreme importance, and I think my friend will acknowledge that the indexing of the Statutes at Large is thoroughly well done.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. RAKER. In the preparation of this code will the indexing clerk also place under the sections the various citations to the decisions of the Federal courts in construing those sections?

Mr. MOORE of Virginia. No; it is not contemplated that there will be any reference to judicial decisions.

Mr. RAKER. The committee has prepared such citations to decisions, has it not?

Mr. MOORE of Virginia. No; the committee has not prepared any citations of decisions. The expediency of doing that was considered, and we laid aside that idea for the reason that it was thought it would involve labor that would interfere with the early completion of the work and unnecessarily add to the size of the volume.

Mr. RAKER. The index of the statutes which have been amended in the final enactment will be considered as well?

Mr. MOORE of Virginia. Yes.

Mr. PARRISH. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. PARRISH. Has the gentleman any idea as to when the indexing will be completed?

Mr. MOORE of Virginia. The gentleman from Kansas [Mr. LITTLE] is better prepared than I to answer that question.

Mr. LITTLE. This bill, when it passes, will be published in one volume, just as the Statutes at Large are published, and indexed just as any other Statutes at Large are indexed, at the close of this Congress on the 4th of March, if they follow the general custom. Possibly they may get it done sooner.

Mr. MOORE of Virginia. I may say that we design to expedite the indexing as rapidly as possible and also the printing of the volume and its circulation.

Mr. PARRISH. One of the reasons why I asked that question is the fact that a number of Members are binding their volumes of the statutes now. I thought perhaps we could bind the index along with the volume.

Mr. MOORE of Virginia. Just as soon as the bill becomes law the preparation and printing of the index will go forward and be finished at the earliest possible moment.

Mr. LARSEN. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. LARSEN. Is it contemplated that the index will be in a separate volume or bound in the same volume?

Mr. MOORE of Virginia. It will be bound in the same volume. And, further, the suggestion has been made that Congress in providing for the printing should consider whether it would not be advisable to authorize a large number of copies to be printed on thin paper, so as to greatly reduce the bulk of the copies so printed.

Mr. REED of West Virginia. The plates, as I understand, will be preserved by the Public Printer. I understand they will not have to be reset.

Mr. MOORE of Virginia. I understand that when the bill becomes a law plates will be made from the type already set and the number of copies desired will be printed without delay.

Mr. BURROUGHS. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. BURROUGHS. I agree with the gentleman that the index will be a valuable part of the work when completed. Is it not also true that the committee has prepared a very complete table of contents that will be found in the first part of the book?

Mr. MOORE of Virginia. That is true. There is such a table of contents, which facilitates the use of the compilation, just as it now is.

Mr. BRAND. I would like to know if these experts who are preparing the index have ever had any experience in indexing law books?

Mr. MOORE of Virginia. I understand they have had long experience in indexing the Statutes at Large that are annually published. I have not heard of any fault being found up to this time by officials of the Government, the bench and bar, or the general public, with the indexing as it has been done from year to year.

Mr. BRIGGS. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. BRIGGS. Does this bill provide that the codification shall be indexed in an exhaustive way?

Mr. MOORE of Virginia. There is no provision of that sort, and I suppose there has never been any provision of that kind with respect to any individual volume of the Statutes at Large.

Mr. BRIGGS. Does not the gentleman think it ought to be incorporated in the bill?

Mr. MOORE of Virginia. I do not think it should be incorporated in the bill. If it is deemed advisable to indicate in a specific way how the indexing should be done, that is a matter that should be taken care of by a separate measure.

Mr. BRIGGS. The gentleman does not think it ought to be done as a part of the adoption of this report?

Mr. MOORE of Virginia. No. In my opinion, if there is any necessity for a specific requirement as to indexing, it should not be incorporated in this bill.

Mr. GARRETT. The index is not a part of the law, anyhow. Mr. MOORE of Virginia. The index is not a part of the law. It must be made after the law is enacted.

Mr. BRIGGS. I want to ask the gentleman whether the same arrangement as that in the old Revised Statutes will be followed in this compilation?

Mr. LITTLE. We followed the Revised Statutes as far as the immense amount of new law would permit.

Mr. MOORE of Virginia. The gentleman will understand that there has been such a multiplication of statutes since the date of the Revised Statutes that strict adherence to the arrangement then observed was not possible. Since that date a great number of new subjects have been drawn within the legislative activity.

Mr. BRIGGS. I understand that. I meant so far as they related, of course.

Another question, when there was a doubt as to whether a statute had been repealed or not, was such a statute incorporated in this codification, or was it left out?

Mr. MOORE of Virginia. I do not recall any case in which we had any misgiving as to whether a statute had been repealed or not. If there had been such cases I think we would have set out all the statutes relative to the particular subject and not assumed the responsibility of construing any statute.

Mr. BRIGGS. Was there any endeavor to reconcile the vast amount of pension legislation and to coordinate it so that it might be made available in a way more accessible than it is under present conditions?

Mr. MOORE of Virginia. I believe the pension legislation is contained under one title. But arrangement or coordination has not gone to the point of amending any statute or series of statutes. To use the language of an old law writer we have not used "the amending hand."

Mr. BRIGGS. It has not been a revision, but simply a codification?

Mr. MOORE of Virginia. The gentleman is correct. We have tried to make it strictly a compilation or codification and not a revision. I for one would not have been willing, in the time available to a Member of Congress for this sort of work, to engage in an effort to revise. I do not think it would have been practicable, nor do I think it would have been safe.

Mr. BRIGGS. Does the codification bring down to date all of the laws passed by this Congress to the end of the last session?

Mr. MOORE of Virginia. It brings all the laws down to the 4th of March of last year.

Mr. DENISON. I want to ask this question of the gentleman from Virginia.

Mr. MOORE of Virginia. I yield to the gentleman from Illinois.

Mr. DENISON. Is it within the limit of possibility either here or in the Senate for codification of the interstate commerce law that was embodied in the transportation act to be put into this volume without endangering its passage?

Mr. MOORE of Virginia. That would, of course, involve an amendment of the bill and interfere with the general plan. It would take in enactments after the 4th of March, 1919.

Mr. DENISON. Of course, the transportation act—

Mr. MOORE of Virginia. But let me say this to the gentleman, there are compilations issued by the Interstate Commerce Commission at short intervals containing all the laws bearing upon transportation, and they are pretty widely distributed without charge.

Mr. DENISON. The transportation act itself is a codification of the transportation law.

Mr. MOORE of Virginia. Yes; and the Interstate Commerce Commission every now and then, quite frequently, issues a compilation which is very full and in very convenient form.

Mr. CAMPBELL of Kansas. Does not the gentleman think it far better to have that in a separate compilation than to enlarge this volume?

Mr. MOORE of Virginia. Yes; transportation is a subject with respect to which there will probably be a great deal of legislation as time goes on, and the method employed by the Interstate Commerce Commission of keeping all who are interested informed as to what its law is at any given time meets every necessity. Of course, this compilation contains all the statutes effective on March 4, 1919.

Mr. ALMON. Will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. ALMON. Do I understand from the gentleman that the committee have read this bill and made the comparison, or have they had to intrust that to the revisers and codifiers in the employ of the committee?

Mr. MOORE of Virginia. I will say this frankly to my friend, for myself I can not claim to have examined every section of this bill. That would have been impossible. But I have examined many sections with a view to ascertaining their correctness, and I have not found any inaccuracies. Other members of the committee have done the same thing. I believe the chairman of the committee [Mr. LITTLE] has gone beyond that. Perhaps he can say that he has looked at every section,

Mr. ALMON. Another question. Then in the event that mistakes have been made in codifying, thereby making a change in the law, what effect, in the opinion of the gentleman, would that have upon the law? Would the passage of this bill, in other words, have the effect of changing the law, and will the law be as it is in this bill or as it previously was, if there has been a mistake?

Mr. MOORE of Virginia. If we have invented a provision, or if we have so misapprehended the existing law as to put something in a section that is not the law, a court might hold what appears in the compilation to be the law. The very question we have here is as to how the work has been done, and whether it has been done in such a way that the House is entitled to rely upon the compilation as being accurate. I think it hardly within the range of possibility that any such error as my friend suggests will ever be discovered.

Mr. ALMON. My only purpose in asking these questions was to get further information, so that we might better determine whether we could rely on what has been done by the committee voting for the bill.

Mr. BURROUGHS. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. BURROUGHS. I understand from what the gentleman says that he has examined the work sufficiently, and is sufficiently acquainted with the methods pursued by the committee so that he is satisfied, as I myself am satisfied, that the factor of error in the preparation of this work has been reduced to a minimum?

Mr. MOORE of Virginia. Yes. There is no sort of question about that. I do not believe we can get a more accurate compilation.

The SPEAKER. The time of the gentleman has expired.

Mr. GARRETT. Mr. Speaker, I desire to present a parliamentary inquiry, and in order to present it intelligibly I shall have to ask leave to make a statement. I have examined the form of the motion made by the gentleman from Kansas, as I understand it is to be journalized, to suspend the rules and pass House bill 9389, with the reading of the title. Now, the question in my mind is whether that motion should not be somewhat elaborated. Here is the situation: The bill by the number referred to was reported to the House on March 4, 1919. Subsequently a joint resolution passed the House and the Senate which received the signature of the Executive authority.

Mr. LITTLE. Will the gentleman yield?

Mr. GARRETT. Yes.

Mr. LITTLE. The motion was elaborated; it was considerable longer than that stated by the gentleman.

Mr. GARRETT. I conferred with the Clerk of the House, and he stated to me the way it was journalized.

Mr. LITTLE. I move to suspend the rule and pass, reading by title only House bill 9389, an act to consolidate, codify, and revise and reenact the general and permanent laws of the United States in force March 4, 1919, the bill now on the Clerk's desk, the completed bill of 10,747 sections. I was quite specific about that because I wanted to meet the point the gentleman had in his mind.

The SPEAKER. The Chair will suggest to the gentleman from Kansas that he send up his motion in writing.

Mr. GARRETT. I think it highly important when we are not reading a bill, particularly that it should be so stated as to show clearly that it embraces all that we want to pass.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. MANN of Illinois. I will say to the gentleman from Tennessee that I myself examined and found that the bill on the Clerk's desk is the completed bill.

Mr. GARRETT. That is my understanding. But the bill as shown on the calendar was not the bill that is now upon the Clerk's desk. We passed a joint resolution subsequently which authorized this committee to print additions to the bill; of course, that resolution, although law, would not annul the rules of procedure of the House.

Mr. MANN of Illinois. When does the gentleman think the joint resolution was passed?

Mr. GARRETT. Just before the adjournment of the last session of Congress.

Mr. MANN of Illinois. I think it was about the time of adjournment a year ago.

Mr. GARRETT. Was it passed before the report was made?

Mr. LITTLE. Oh, yes.

Mr. MANN of Illinois. That was my understanding, long before this report was made.

Mr. GARRETT. The fact still remains that it only authorizes the printing—

Mr. MANN of Illinois. It only provided for the form of the printed bill.

Mr. LITTLE. It was passed December 19, 1919.

Mr. GARRETT. The bill which was originally placed on the calendar is only a part of the bill that we are now asked to consider.

Mr. MANN of Illinois. Admitting that to be true, every once in a while we have what we call a star print of the bill. I think myself that this ought to have a star on it. The bill which the Clerk has would be certified to the Senate as a completed bill regardless of the date of the report.

Mr. GARRETT. If that is clear, all right. The only thing in my mind is this: We are dispensing with the reading of the bill. The bill originally placed on the calendar is not the full bill that we are now actually considering—that is, it is not the bill which at the time it was reported and given the number is referred to in the motion made by the gentleman from Kansas. The gentleman from Illinois sees what I am after.

Mr. MANN of Illinois. I know what the gentleman is after; I have been looking up the same thing and I find that the bill on the Clerk's desk is the completed bill—that is, the bill we are now considering—and I think the gentleman's objection is taken care of.

Mr. GARRETT. If the motion of the gentleman from Kansas is made sufficiently broad to include the additions, and I understand that it is his purpose to do so and he thought he had, that is sufficient, but as the Clerk has it at the desk, as journalized, it is not.

Mr. MANN of Illinois. The Journal never shows what the bill is until passed. It does not set out the bill. This situation frequently arises. I get the bill as soon as it is reported from the document room, and every once in a while I find that the bill reported from the desk is not the bill I have in my hand. Usually if it is a star print I get it, but sometimes I do not. If not, I ask what print of the bill is being read. The print of the bill which the Clerk has is the print that the House passes, if it passes the bill.

Mr. GARRETT. That is true, of course, but always the bill is read. Now, this bill is not to be read except by title.

Mr. MANN of Illinois. That does not make any difference about the fact. I suggested that there might be some way to correct this by motion, but it seems to me that as the Clerk has possession of the completed bill it is sufficient to say that we pass that bill by title. That is the bill the Clerk will certify as being passed.

Mr. GARRETT. Mr. Speaker, if gentlemen are perfectly clear that the motion as it appears now will cover the full bill, I am content, but I do not want the engrossing clerk to have any difficulty, and we do not wish the record to be made up in such a way as to give cause for the courts to hold any part of our work void.

Mr. LITTLE. Permit me to say that the motion was drawn in view of the conference I had with the gentleman from Tennessee on the subject, hoping to meet the point he suggested some weeks ago.

Mr. GARRETT. If the gentleman has his motion as he stated it on the floor, I think it will be all right, but as journalized it caused me to wonder if there might not be some loophole for attack in the courts.

Mr. LITTLE. It was drawn so that it would meet the gentleman's purpose. That was the primary purpose in putting it in this form.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman from Tennessee yield?

Mr. GARRETT. Yes.

Mr. CHINDBLOM. As one not expertly informed of the procedure in the House, may I ask the gentleman what means of identification there will be as to this particular bill after it passes the House?

Mr. GARRETT. That is the thing which was in my mind. It is identified by the calendar number.

Mr. MANN of Illinois. Might we not have the motion reported?

Mr. GARRETT. As journalized. I think that would be a good idea.

Mr. CHINDBLOM. Could not some identification mark be placed upon it?

Mr. GARRETT. I know of none except the calendar number.

The SPEAKER. The Clerk will report the motion as it has been sent up.

The Clerk read as follows:

Mr. LITTLE, by direction of the Committee on Revision of the Laws, submitted the following motion:

"I move to suspend the rules, read by title only, and pass the bill (H. R. 9389) entitled 'A bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4,

1919,' being the complete bill of 10,747 sections as finally approved by said committee and printed under its direction pursuant to public resolution No. 24, approved December 23, 1919, a copy of which is duly in possession of the Clerk."

Mr. GARRETT. I think that covers it.

Mr. BANKHEAD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BANKHEAD. Would that motion be comprehensive enough to provide that the bill should not be engrossed? It says nothing about that.

Mr. MANN of Illinois. A motion to suspend the rules does not require engrossment.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken, and, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

EXTENSION OF ASSESSMENT WORK ON MINING CLAIMS.

Mr. RHODES. Mr. Speaker, by direction of the Committee on Mines and Mining, I move to suspend the rules and pass the bill (S. 4565) extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921.

The SPEAKER. The gentleman from Missouri moves to suspend the rules and pass the bill, which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That the period within which work may be performed or improvements made for the year 1920 upon mining claims is required under section 2324 of the Revised Statutes of the United States is hereby extended to and including the 1st day of July, 1921, so that work done or improvements made upon any mining claim in the United States or Alaska on or before July 1, 1921, shall have the same effect as if the same had been performed within the calendar year of 1920: *Provided,* That this act shall not in any way change or modify the requirements of existing law as to work to be done or improvements made upon mining claims for the year 1921.

The SPEAKER. Is a second demanded?

Mr. WINGO. Mr. Speaker, I demand a second.

Mr. RHODES. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Missouri is entitled to 20 minutes and the gentleman from Arkansas to 20 minutes.

Mr. RHODES. Mr. Speaker, in the first place, I desire to say that section 2324 of the Revised Statutes of the United States requires that there shall be done annually \$100 worth of assessment work on all mining claims between the time the claimant has taken up his claim and the time he is to receive his patent. Your committee first reported a bill similar to the act of November 13, 1919, under which the provisions of the general law were suspended for the year 1920. One week ago to-day the Senate passed this bill. In fact, I should say this is the Senate bill verbatim. This bill provides for an extension of time in which the assessment work may be done, whereas the provisions of the act of November 13, 1919, provides for a suspension of the provisions of the general law requiring assessment work for 1920.

Mr. GARD. Mr. Speaker, will the gentleman yield for a parliamentary inquiry as to the status of the bill?

Mr. RHODES. Yes.

Mr. GARD. The gentleman says that the Senate bill is identical with this bill. Are we not considering the Senate bill?

Mr. RHODES. The House reported the Senate bill without amendment.

Mr. GARD. The request of the gentleman is that we pass this Senate bill under a suspension of the rules?

Mr. RHODES. That is the request. Mr. Speaker, I come from a State in which not one mining claim exists that will be affected by this bill. In other words, the legislation which we seek is not applicable to conditions in my State. The Committee on Mines and Mining has been led to believe that there is widespread demand for the enactment of this bill. It was stated on the floor of the House when the act of November 13, 1919, was passed that if Congress would pass that law no more requests of that character would be made in the future, but we feel certain that the same reasons which justified the passage of the act last year and the act of the preceding year, and which had also been passed in 1917, exist to-day. Mr. Speaker, the same conditions not only exist, but there is the added condition of financial stringency which enters into conditions to-day in the Northwest which did not exist a year ago. For that reason your Committee on Mines and Mining believes this legislation should be passed.

Mr. HUDSPETH. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Yes.

Mr. HUDSPETH. As I understand the bill, it simply provides that the assessment work that was required of the owner

of a mine or a claim for 1920 may be done up until 1921, July 1, extending the time for that work.

Mr. RHODES. The gentleman has correctly stated the purpose of the bill.

Mr. HUDSPETH. I am for the bill.

Mr. RHODES. In other words, nobody loses anything. The Government of the United States will lose nothing, but the owner of the claim is given a longer time in which to do the assessment work than the original law provides. While labor is plentiful in some sections of the country, we are informed that labor conditions in certain mining sections are such that it is not plentiful, and we are further informed—in fact, I know as a matter of recent investigation—that mining conditions throughout the United States have not been within the last 25 years in such a plight as they are in to-day. Take, for instance, the mining of gold. The annual production of gold has materially declined in recent years. Take the price of copper. It has declined from 34 cents a pound to 13½ cents a pound on the New York market last Friday. Lead has declined from 9 cents a pound, 90 days ago, to 4½ cents a pound last Friday on the New York market. Mining conditions are as bad as agricultural and other industrial conditions throughout the length and breadth of the United States. Your committee has been led to believe that the passage of this bill at least will in a measure render some relief in the mining sections of the Northwest.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Yes.

Mr. LONGWORTH. Can the gentleman tell me what the present price of zinc is?

Mr. RHODES. About 5½ cents per pound. I should have added that zinc has suffered a great decline. My own State stands second in the production of zinc, Oklahoma being first, and 90 per cent of the zinc mines in Missouri, Oklahoma, and Kansas are closed to-day.

And I will say, as a matter of further information upon general mining conditions, that I represent a district in Missouri which produced last year 96 per cent of all the lead produced in Missouri, and Missouri stands first in the Union in the production of lead, our State having produced 162,000 tons of lead in 1919, with Idaho ranking second. To-day every lead-mining concern in my section of the State has either closed within the last 30 days or has expressed an intention to reduce the wage of labor by January 1, 1921, indicating the extreme depression in which the mining business is found.

Mr. GARD. Will the gentleman yield?

Mr. RHODES. I yield.

Mr. GARD. I notice from the report that similar bills to this were enacted in 1917, 1918, and 1919?

Mr. RHODES. That is true.

Mr. GARD. Is it the intention of gentlemen on this committee to report this bill out annually, or is there to be some adjustment of the matter?

Mr. RHODES. Mr. Speaker, I presume the gentleman did not hear the beginning of my remarks when I stated that when the act of November 13, 1919, came up for passage gentlemen on the floor of this House stated that it would never be necessary to make a similar request in the future; but that your committee has found that the conditions which existed in 1919, which justified the passage of the bill then, are presented to-day with additional reasons for the passage of this measure.

Mr. KINKAID. Will the gentleman yield for a suggestion?

Mr. RHODES. I yield to my friend from Nebraska.

Mr. GARD. Surely.

Mr. KINKAID. This bill is not similar to the bills passed in former years just named by the gentleman from Ohio. Those bills excused the doing the work for the year entirely. This bill provides for the extension of time for a few months only in which to perform the work which has to be performed within that time.

Mr. RHODES. Mr. Speaker, perhaps the gentleman did not observe my statement at the outset. I first stated that the committee reported a bill in which it sought to reenact the provisions of November 13, 1919, but a week ago to-day the Senate passed this bill, which is a more liberal measure than the act passed last year and the bill which the committee reported in the first instance. I will say further to the gentleman that I have personal knowledge of hundreds of requests that have come to this committee seeking the passage of this bill, and I only know of three objections that have reached us from any source in the United States to the proposed legislation.

Mr. GARD. I do not desire to impede the passage of the bill in the slightest, but I am seeking information. I note from the reading of section 2324 that if the location was made prior to 1872 \$10 worth of work a year is required, and if made after 1872 \$100 worth of work is required. Is that correct?

Mr. RHODES. That is correct. There are very few of these old claims left.

Mr. GARD. What the gentleman desires is to avoid the payment of the \$100 a year of work?

Mr. RHODES. Will the gentleman permit me again to repeat that all this bill seeks to do is merely to extend the time in which the claimant has to do the work, and does not seek to suspend the provisions of the act as the act of last year did?

Mr. GARD. In other words, he can do this work of \$100 up to July 1, 1921?

Mr. RHODES. The gentleman is exactly correct.

Mr. GARD. That is the point to which you desire to extend this \$100 worth of work. Is there anything else you want to do in the way of extension in the section?

Mr. RHODES. Not at all. The bill is very definite and certain, and says that the claimant is simply given up to and including July 1, 1921, in which to do the work. Mr. Speaker, how much time have I remaining?

Mr. BROOKS of Illinois. Will the gentleman yield?

Mr. RHODES. I will.

Mr. BROOKS of Illinois. In the event that this law is not passed is it not possible on January 1, 1921, for some one else to file a claim on these claims?

Mr. RHODES. It is not only possible, Mr. Speaker, but it is quite probable that a number of bona fide claimants will lose their claims because of others "jumping" the claims.

Mr. BROOKS of Illinois. If the gentleman will yield further, have there been many of these claims on which \$100 worth of work has been performed?

Mr. RHODES. This year?

Mr. BROOKS of Illinois. This year.

Mr. RHODES. I am advised a large number of the claimants have done assessment work for this year, but there is a large number on which the assessment work has not been done.

Mr. BROOKS of Illinois. In reference to the people who have done the work, are they real miners or prospectors or people who may buy the mines, capitalists?

Mr. RHODES. Mr. Speaker, we are advised they are bona fide claimants, and it is in the interest of the bona fide claimants we are seeking the legislation, and, in addition, I should state that the climatic conditions are such at this particular time in the States of Colorado, California, Washington, Oregon, Idaho, and Nevada, and all of the northeastern mining section, that it is impossible to do work because of the heavy snowfall. In fact, I might say that snow will be on the ground from this time probably until the first or the middle of June, 1921. Objection was made some days ago by a gentleman that the provisions of this bill should be extended further than July 1, 1921. I received a petition this morning from citizens residing in the State of Arizona, in which they say if the provisions of the bill can be extended until June 1, 1921, it will afford relief in many cases. Mr. Speaker, I reserve the remainder of my time.

Mr. WINGO. Mr. Speaker, all there is to this legislation is that under the law mining claimants have to do a total amount of \$500 worth of work on the claim. They can either do it in one year or scatter it over five years, doing an amount of \$100 each year. But the conditions have been such that a great many of these claimants have not been able to do the annual assessment work of \$100. This bill is for the express purpose of preventing these people from losing their claims by reason of the fact that they have not been able to do the assessment work for this year. Now, it simply gives them until the 1st day of next July to do the 1920 assessment work. Now, I do not want to mislead the House. I stated in 1917, when the first bill was passed, that the only practical way was to suspend all assessment work for a period expiring one year after the declaration of peace.

I told the gentlemen then who promised the House that they would not come back and ask further extension that they did not know what they were talking about and that they would come back. The Welling bill, the House bill, was unanimously approved by the committee and is a better bill. Under that bill the work was suspended for one year. That is the identical suspension bill that we have enacted heretofore. But we are told that this, the Senate bill, is the only thing we can enact now, and that it will do some good. I suspect that the gold prospectors will be here before the 1st of July asking to be relieved. The snow will not be gone until the middle of June. This gives some relief to most of them, and simply postpones until July, 1921, the necessity for doing the work they are required to do in the year 1920. It is a wise provision. I would be in favor of giving it to them.

Mr. PARRISH. Mr. Speaker, will the gentleman yield?

Mr. WINGO. Certainly.

Mr. PARRISH. I would like to ask the gentleman to state whether this mining industry in the West would be benefited

by granting the extension? If this is not done, could the claims be jumped by squatters?

Mr. WINGO. If this is not done, the claimants will be frozen out. Instead of this retarding, I think it will not check the work at all, but that the work will be done under most of the claims, and the claims will not be abandoned. I think this is not calculated to hold up development, but it will help development. In other words, I think we ought to give the men who went in there under conditions different from those now existing a chance to make good their claims. I think the Congress ought to give them that chance.

Mr. PARRISH. I agree with the gentleman.

Mr. RHODES. Mr. Speaker, I yield to the gentleman from Colorado [Mr. VAILE] two minutes.

The SPEAKER. The gentleman from Colorado is recognized for two minutes.

Mr. VAILE. Mr. Speaker and gentlemen of the House, last year those of us who felt the necessity of some legislation of this kind told the House that we would not make this a continuing annual affair. We did not say—at least I did not say—we would not ask for it this year, but we did suggest that it would not be required every year.

It has been suggested in argument that it is now easier to get labor than it was in 1919, and that there is in fact considerable unemployment in many places. There are several answers to this contention. In the first place, there is very little unemployment in the mining districts. In a good many localities it is impossible to get men on almost any terms. It must be remembered that in some mining communities a good many men were accustomed in the past to earn a livelihood by doing this assessment work. But we waived the requirement of doing it at all in 1917, 1918, and 1919 because costs were so high that the expenditure of the money for this purpose was rightly regarded as a waste. Many miners left those communities either to enter military service or because mines generally were shutting down owing to the excessive cost of operations. These men can hardly be expected to return for merely temporary employment, even if it was at all practicable to go to the mines in the deep snows of a Rocky Mountain winter.

Another thing that makes it difficult to secure labor is that for a long time the hand-drilling, hard-rock miner has been on the way to becoming an extinct species. The large mines which are no longer prospects use air drills and electric power. The employment of the old-style, single-jack miner has been reduced to a minimum in the developed properties. In prospects, however, the hard-rock work is necessarily single-jack drilling, because it would be entirely out of the question to install air compressors or electric power in rudimentary nonproductive mines. The single-jack miner having sought other employment, there is an especial difficulty in obtaining the particular kind of labor required for the annual assessment work, as well as the general difficulty of obtaining any labor at all in the localities where that work has to be done.

Much work has been done by locators in laying out and making roads to their prospects. I know of several groups of mining claims in Colorado where thousands of dollars have been expended in this way. This work, of course, will all go to the benefit merely of the man who will relocate those properties on January 1 if the bill before us is not immediately enacted into law.

I agree entirely with the gentleman from Arkansas [Mr. WINGO] that it would have been well to make the suspension of the requirement of annual labor continue for a year after the proclamation of peace. However, as has been pointed out, we are not now asking the same thing that we asked before. We are not asking a waiver, but a mere extension of the time. It has been suggested that the extension which we are now asking may not be sufficient, because in high altitudes, like many places in Colorado, where mines are located at 10,000 feet altitude or more, the snow does not leave until after the 1st of July. I would prefer in this respect the provision of my own bill, introduced in the House, to extend the time to August 1. However, gentlemen should bear in mind that if the owner gets in and starts work on his claim, that prevents a relocation, prevents the jumping of his claim, even though he has not actually completed his annual work by the end of the time, if he is then engaged in doing it.

Let me call attention to a fact which might be lost sight of by some. It was suggested by the inquiry of the gentleman from Texas [Mr. PARRISH], who evidently is himself familiar with the situation, that if this resolution is not passed, the mining industry will not be helped one bit, because the claim jumper has a year after the 1st of January in which he may do his work. And that extends the time as to him for an additional year. It is of no benefit to anybody except to the

man who wants to take advantage of the foresight, energy, and knowledge of the country of somebody else who has located a claim by jumping that claim. There are many such speculators who would be glad to take advantage of some other man's work by moving in on a claim staked out and located, a claim perhaps on which improvements of some considerable value have been constructed.

Mr. HUDSPETH. The failure to pass this legislation would only benefit the class known as the bonus hunter and not the stable citizen.

Mr. VAILE. Exactly, those who would take advantage of other men's work. The claims are held by the men who located them themselves, after months and sometimes years of struggling, prospecting, time spent in trudging over the mountains studying the rear elevation of a burro, or else they are owned by men to whom these prospectors have sold in good faith.

Mr. BLANTON. Will the gentleman yield?

Mr. VAILE. Yes.

Mr. BLANTON. This bill would not in any way do away with the payment of back amounts of \$100 for other years?

Mr. VAILE. The gentleman understands that this is not payment. It is the performance of labor.

Mr. BLANTON. This does not do away with the necessity for spending that amount for the improvement of the claims?

Mr. VAILE. Oh, not at all. After the man has done work aggregating five years, whether he does it this year or later, he can get a patent.

Mr. BLANTON. He must still spend his \$500 to have that much work done, or do work equivalent to that in value.

Mr. VAILE. Yes.

Let me, in conclusion, say just a word about general conditions in the mining industry. That word is that the industry is now shot to pieces. The price of gold of course is a constant, as measured in money, because gold is the yard-stick of our currency. But this means that as measured in commodities the price of gold is now way down. But practically all minerals now bring the miner less than the cost of production. It is a fact which can easily be verified by the figures that costs of machinery, power, fuel, and all supplies used in the mining business have not as yet shared to any appreciable extent in the supposed general fall of prices, which is itself almost inappreciable to the general consumer.

Smelting charges are very high. Transportation charges, where the facilities for railroad transportation still exist, are very high. Some railroads and a good many spurs and branches have been discontinued in the mining regions and sold for junk. These conditions have compelled many mines to shut down. When a mine is shut down, the natural result is that the capital invested in it and its future productivity are forever lost. You can close up a woolen mill, but if you keep the property guarded there is practically no physical deterioration. The farmer certainly has my sympathy when he is compelled to sell live stock at a loss, and the loss of breeding stock is a national calamity too. The farmer of course derives mighty small comfort from the fact that he still has his land, but I can assure him that the mine owner who is obliged to stop business would consider himself fortunate indeed if he had such a large part of the value of his property left. His property soon loses its entire value. When a developed mine stops operating it fills up with water, timbers rot, and earth and rock caves in. The fear of such a total loss keeps many a mine owner paying out an annual loss from operations conducted with no hope of present profit.

These matters will be presented to Congress in other proposals for remedial legislation. We shall ask for relief by tariff legislation, by the McFadden gold bonus bill, and by other measures, for an industry which has suffered more from the war and war prices than any other single business, an industry moreover, which in some period of its history has invariably been conducted at a loss. The farm pays something in cash the first year. The factory produces some return in cash the first month. The mine has no such history. Practically every mine had an unproductive stage in its beginning. Mine development must proceed on faith, hope, and charity, the faith and hope of the miner and the charity of his creditors. May we not rely in some small degree on the charity also of this great Government which owes so much to the faith and hope of the miner? Remember that to-day we are only asking for a charity which costs nothing to the Government, in behalf of mines which have as yet produced nothing for their possessors. [Applause.]

Mr. WINGO. I yield five minutes to the gentleman from Utah [Mr. WELLING].

Mr. WELLING. Mr. Speaker, the committee having this matter in charge were hopeful that there would be no inter-

ruption in the assessment work on mining claims this year. I think all of us from the mining States are anxious to have this work resumed, but conditions have arisen in the West since this Congress reconvened which justify this relief which the bill provides. In fact, the condition is so bad there to-day that the Committee on Mines and Mining felt that they would be justified in reporting a complete relief measure, doing away with the necessity for assessment work this year, just as they did last year and the year before. It became apparent to the committee as we went along in our investigation that it might be impossible, because of lack of time, to pass the bill which I introduced and which the committee reported unanimously. That bill did give complete exemption. There were certain individuals in the House and certain influences in the Senate which were opposed to that sort of action. It seems apparent that this is the only relief that is available at this time for the miners and prospectors of the West. It is justified, because there is in the West to-day a great deal of snow in the higher altitudes, and it is impossible at this season of the year to get to the mining claims and to perform this assessment work. I hope that the bill will pass in its present form. It must be remembered that it in no way relieves the owners of a prospect from doing the total amount of work required under the provisions of section 2324 of the Revised Statutes affecting assessment work.

Mr. RHODES. Will the gentleman yield for a question?

Mr. WELLING. I am glad to yield to the gentleman.

Mr. RHODES. I desire to ask the gentleman whether it would be a good thing to extend the time in which to do this work from January 1 to July 1 as a matter of permanent legislation, and whether climatic conditions in the Northwest would permit work to be done before July 1 of each year?

Mr. WELLING. I think so. Perhaps there are some very exceptional regions in the high mountains where there would still be snow on July 1, but I appreciate the force of the suggestion that was made by the gentleman from Arizona [Mr. HAYDEN], that perhaps this assessment work ought to be done in the fiscal year rather than in the calendar year as at present.

Mr. WINGO. Mr. Speaker, I yield two minutes to the gentleman from Nevada [Mr. EVANS].

Mr. EVANS of Nevada. Mr. Speaker, the western Members join the eastern Members in the desire to have work done upon mining claims, because we all realize that the only way in which development and progress can come to the West is by hard, consistent work.

The law requiring expenditure of \$100 annually upon each 20-acre mining claim, or fraction thereof, is therefore a wise provision, in which western men approve and concur. In the great out West, every hill is a mountain, every creek is a river, and every man is a liar, only when he endeavors to tell the whole truth about our magnificent possibilities and opportunities. Because there is room and undeveloped resources west of the Mississippi River to support, in the American way, ten times the present population of our United States; the mind can not grasp the magnitude of coming events; where perpetual sunshine upon fertile soil richly repays men to reclaim and cultivate this generous domain. Therefore, we of the West desire and invite cooperation and aid of increased population and interest in our mutual opportunities in abundance.

During October of this year a company of movie stars were securing Nevada snow scenes upon the rugged mountainous regions of northern Nevada. At the same time in southern Nevada our citizens were picking cotton, harvesting English walnuts, and gathering home-grown dates and figs, thus showing the diversity of resources in a single State, furnishing opportunity for employment of miners in various occupations and in different counties. The excess profits tax, which adds a serious burden to mining, has done its full share to retard opening new properties and continuing old ones. The products of mining are in no sense an excess profit, but clearly a depletion of mine values and reserves. When the ranch sells cattle they are replaced by young stock. But there is only one crop of ore in a mine. The heavy hand of war has taken full measure from Nevada, many returning soldiers and others finding the necessity for moving into new communities, away from mining districts where their claims are located; therefore to exact a strict observance of the law, which requires the annual assessment work, will mean abandonment of thousands of mining claims, which if relocated will require under the law no work being done until December 31, 1922. A strict enforcement of law means of necessity abandonment of a major portion of mining claims, upon which those relocated in January, 1921, will require no work being done for practically two years. Therefore, suspension of assessment work for 1920 will serve

development and give proper encouragement to many most worthy citizens. Changing the period from the end of the calendar year to the end of the fiscal year will serve to increase the amount of work annually performed.

We of the West, in homes of our own choosing, have a certain pride in the latent resources of our section, being upon the ground and knowing the needs and difficulties. Our sincere wish is to have the confidence of eastern Members, for the sincerity of our purpose in reclaiming the West, and inviting the cooperation of true American home builders.

Mr. WINGO. Mr. Speaker, I yield two minutes to the gentleman from Montana [Mr. EVANS].

Mr. EVANS of Montana. Mr. Speaker, from the inquiries that have been made by gentlemen on the floor I anticipate that some eastern Members have not a clear conception of the needs and wants of this bill. The statute provides that when a claim is located and \$500 worth of work done, the locator may get a patent. It provides that \$500 worth of work must be done, at least \$100 worth each calendar year.

Mr. HARDY of Colorado. Is the gentleman sure that he is correct; does it require \$500 in five years?

Mr. EVANS of Montana. It can be done at any time, but he must do \$100 worth each year, and \$500 worth before he is entitled to a patent. It works out this way: A man locates a claim, carries it on with one, two, three, or four hundred dollars of annual assessment work. He files with the county clerk or the recording officer evidence of the fact that he has done the annual assessment work for that year. But there are people in the land who watch the opportunity of finding out that the claimant has not done the annual work up to the last day of the calendar year. Then he goes out on the 1st day of January as a claim jumper, as we call it, and he locates on the ground that the prospector has done \$200 or \$300 worth of work upon. He gets the benefit because the individual locator was so unfortunate or improvident that he did not do his annual assessment work. The Government gets nothing out of this proposition so far as a money consideration. It is only to show the bona fides of the man who claims this particular piece of ground. The passage of the bill, in my judgment, will not help the large mine owner. The large concerns have probably done all of their assessment work. If it helps anybody, it will help the prospector, the man of very limited means, perhaps an improvident man who has not been able to do his \$100 of assessment work. The corporations have done their assessment work long since.

The SPEAKER. The time of the gentleman has expired.

Mr. EVANS was granted leave to revise and extend his remarks in the Record.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. VAILE. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection?

There was no objection.

Mr. WINGO. Mr. Speaker, the fact I think should be stressed in the Record, and I think those Members who live in the mining districts should also impress upon their constituents the fact that this work must be done by July 1 and that they will get no further extension from Congress. I do not mean that I am opposed to that; I am in favor of extending it further, but I know enough about the situation to know that one reason why this bill is being passed instead of the House bill is because this is the only bill that can be put through now. I do not believe conditions will arise which would make it possible for further extensions and I think gentlemen should advise their constituents that they must do the assessment work by July 1 or lose their claims.

Mr. MAYS. Will the gentleman yield?

Mr. WINGO. I will.

Mr. MAYS. Does this require the claimant to make a declaration?

Mr. WINGO. No; I think it should have done so. I think it better from the Government's standpoint and the claimant's standpoint that we should pass it in the same language that we did before, and require notice to be filed in the recorder's office.

Mr. TAYLOR of Colorado. Will the gentleman permit?

Mr. WINGO. Yes.

Mr. TAYLOR of Colorado. There was a suggestion that they be required to file that notice before the 31st of December, but there is no time now in which to file the notice and rather than to extend the time up to say the 1st of April we thought it better to require no notice at all.

Mr. WINGO. My opinion was that we should provide for an extension for 1920 and make the notice July 1, 1921.

Mr. RHODES. Mr. Speaker, I yield to the gentleman from Washington [Mr. SUMMERS] the balance of my time.

Mr. SUMMERS of Washington. Mr. Speaker, it seems to me that this is only a reasonable consideration that might be extended to the mine operators and developers of the western section of our country. There are many reasons why development work has not been carried on during the past year.

A day or two ago I had one case laid before me in detail. This gentleman stated that he was developing a number of claims; that he was abundantly able financially to carry on this development work, but that the labor situation had been such during the past summer that he had found it quite impossible to procure labor for the purpose of doing the necessary \$100 worth of work on each of the claims he was undertaking to develop. He was praying that there might be a little extension of time, not on account of negligence, not because he was not financially able, but because of the labor situation, in the hope that he might not have to forfeit all of the work that he had done in the past year on the number of claims which he is developing. The Government of the United States stands to lose nothing. Certainly the developer who has put in two or three or four hundred dollars' worth of effort toward bringing a mine into existence should have a little consideration at this time. I trust this measure will be approved.

The SPEAKER pro tempore (Mr. MANN of Illinois). The question is on the motion of the gentleman from Missouri, to suspend the rules and pass the Senate bill 4565.

The question was taken; and, in the opinion of the Chair, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

UNANIMOUS CONSENT CALENDAR.

The SPEAKER pro tempore. The Clerk will resume the calling of the Calendar for Unanimous Consent.

Mr. RAKER. Mr. Speaker, I ask unanimous consent to extend my remarks upon the bill last passed.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will call the Calendar for Unanimous Consent.

STANDING ROCK INDIAN RESERVATION.

The Clerk called H. J. Res. 346, extending the time for payment of purchase money on homestead entries in the former Standing Rock Indian Reservation, in the States of North and South Dakota.

The SPEAKER pro tempore. Is there objection to the present consideration of the House joint resolution?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, etc., That the Secretary of the Interior is hereby authorized, in his discretion, to extend for a period of one year the time for the payment of any annual installment due, or hereafter to become due, of the purchase price for lands sold under the act of Congress approved May 29, 1908 (35 Stats., p. 460), entitled "An act to authorize the sale and disposition of surplus or unallotted lands of the Standing Rock Indian Reservation, in the States of North and South Dakota, and for other purposes," and the act of Congress approved February 14, 1913 (37 Stats., p. 675), entitled "An act to authorize the sale and disposition of surplus or unallotted lands of the Standing Rock Indian Reservation, in the States and North and South Dakota, and for other purposes," and any payment so extended may annually thereafter be extended for a period of one year in the same manner: *Provided*, That the last payment and all other payments must be made within a period not exceeding one year after the last payment becomes due by the terms of the act under which the entry was made: *Provided further*, That any and all payments must be made when due unless the entryman applies for an extension and pays interest for one year in advance at 5 per cent per annum upon the amount due as herein provided, and patent shall be withheld until full and final payment of the purchase price is made in accordance with the provisions hereof: *And provided further*, That failure to make any payment that may be due, unless the same be extended, or to make any extended payment at or before the time to which such payment has been extended as herein provided shall forfeit the entry and the same shall be canceled and any and all payments theretofore made shall be forfeited.

The SPEAKER pro tempore. This is now being considered in the House as in Committee of the Whole House. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

CUTTING OF TIMBER BY CORPORATIONS.

The next business on the Calendar for Unanimous Consent was the bill (S. 1) authorizing the cutting of timber by corporations organized in one State and conducting operations in another.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, the particular bill now called on the Calendar for Unanimous Consent is said in the report of the Department of the Interior to be either inaccurately or inadequately expressed. Therefore I ask those who are proponents of the measure whether the bill is limited to the purpose of cutting the timber for mining purposes or includes other purposes than mining purposes?

Mr. TAYLOR of Colorado. It is intended to be entirely for mining purposes.

Mr. SINNOTT. Mr. Speaker, I think the criticism in the letter of the Secretary was directed to a former Senate bill, which confined the cutting of timber to mining purposes, and the purpose of this bill does not confine the cutting of timber to mining purposes.

Mr. GARD. I understand it does not, and that is my inquiry, Why should it not?

Mr. SINNOTT. Because the original law does not confine it to that purpose. The purpose of this bill is to enable foreign corporations—that is, foreign to the State—to cut timber in a particular State. The present law merely permits a citizen of a State to cut timber within the State for manufacturing, mining, domestic, and agricultural purposes.

Mr. GARD. The law to which the gentleman refers and to which the Secretary of the Interior refers is one permitting a man who has a mining claim or an agricultural claim to cut wood on his claim for mining purposes, or for agricultural purposes, or for domestic use.

Mr. SINNOTT. That is a specific law. There is a law which permits a man to cut timber on his mining claim or on his homestead, but the law being amended here is another law and a broader law than that. There are two laws.

Mr. GARD. I am asking the gentleman, first, about the law I first mentioned. There is a general law that a man may cut timber on his mining claim?

Mr. SINNOTT. Yes. He has that right to-day, and it would not be necessary to amend that law.

Mr. GARD. He also has the right to cut on his agricultural land, or he has the right to cut timber for domestic purposes, for his own use.

Mr. SINNOTT. Yes.

Mr. GARD. What is this particular law that the gentleman desires to amend?

Mr. SINNOTT. The present law is that a citizen of a State may cut timber upon the public lands of the State under rules and regulations prepared by the Secretary of the Interior. He must apply for a permit when he cuts more than \$50 worth of timber. He may cut \$50 worth of timber by sending into the local office a statement showing how much timber he desires to cut and the particular Government land on which the timber is to be cut. If he desires to cut more than \$50 worth he has to get a permission from the chief of the field service, and that permission is subject to revision or revocation by the Commissioner of the General Land Office.

Mr. GARD. This privilege being given to corporations, of course, it can be assumed that their desire to cut timber is on rather a large scale. They would not engage in the cutting of timber for a slight amount like \$50 worth. Evidently this is some proposition on the part of corporations of considerable size to engage in the cutting of timber.

Mr. SINNOTT. No; I think not. I think it is merely to give a foreign corporation the same right that a domestic corporation has in a particular State. For instance, a corporation organized in the State of Washington could not cut timber in the State of Oregon, although they had need for the timber in the State of Oregon, while a corporation organized in the State of Oregon could cut that timber.

Mr. TAYLOR of Colorado. Mr. Speaker, will the gentleman permit a suggestion?

Mr. GARD. Yes.

Mr. TAYLOR of Colorado. I suggest that it is very common in the mining development of the West to organize a company in one State and do business in possibly several Western States. A good many companies are organized in New Jersey, in Arizona, and in other places. Under the law as it stands there is a great handicap with respect to cutting timber for doing their work. They have to cut it under the supervision of the Secretary of the Interior, anyway, and this is simply to put those corporations on an equal footing.

Mr. SINNOTT. Mr. Speaker, will the gentleman yield further?

Mr. GARD. Yes.

Mr. SINNOTT. I call the gentleman's attention to page 2, line 5. The purpose of the bill is succinctly stated in the following language:

Said permits to confer the same rights and benefits upon such corporations as are conferred by the aforesaid acts upon corporations incorporated in the State in which the privilege is to be exercised.

That states the real purpose of the bill.

Mr. GARD. I understand that to be the effect of the bill. I do not know the purpose of the bill, but suppose a corporation organized, say, in the State of Oregon wants to cut timber in Washington, what is to prevent them from going over there and cutting timber the way it is now?

Mr. SINNOTT. And take it into Oregon? The law does not permit him to take timber from one State to the other except in one or two cases.

Mr. GARD. Does not the present law permit a corporation or firm or individual to buy timber in one State, say in Washington, and transport it, say, to Oregon?

Mr. SINNOTT. Oh, yes; but not to go and cut Government timber upon the public domain.

Mr. GARD. But this is of wider scope, I take it, than the bill the gentleman referred to, and the question is whether there is any limitation on the amount except the permit issued by the Secretary of the Treasury.

Mr. SINNOTT. The rules and regulations of the Secretary of the Interior govern the amount; they have rules and regulations as to the amount that can be obtained in any period of 12 months.

Mr. GARD. Well, there is no restriction other than that?

Mr. SINNOTT. No restriction other than that; but it must be used for this purpose, and in the regulations the Secretary has made restrictions. I have the regulations here.

Mr. GARD. But what I am trying to satisfy in my mind is whether this Government timber, this property which belongs to the United States, is properly safeguarded by this bill, because my own observation, although rather limited, is that the cutting of the timber belonging to the United States has been a thing too liberally granted in times past, for which the people, particularly in the West, and incidentally, by reason of the necessary loss, the people generally throughout these States, have suffered.

Mr. SINNOTT. The gentleman probably has in mind forest reserve timber. This bill does not relate to our forest reserves. It simply relates to the public domain outside of the forest reserves. Before he may secure a permit under this bill, if he desires to cut over \$200 worth of timber in any one year, he has to put up a bond, conditioned upon the faithful performance of the regulations of the Secretary, a bond three times the amount of the timber desired, and he has to show that the timber is needed by him for the specific purpose and is not for sale.

Mr. GARD. I understand that no timber is authorized to be cut under any conditions unless a permit from the Secretary of the Interior shall have been first issued.

Mr. SINNOTT. That is over \$50 worth. They may cut under \$50 worth of timber by notifying the chief of the field service. If they desire between \$50 and \$200 worth, they must apply to the chief of the field service, and he grants a permit, and that permit is subject to revocation by the Commissioner of the General Land Office; but when he desires timber over \$200 worth he has to have the direct permit of the Secretary of the Interior.

Mr. MONDELL. If the gentleman will yield, all this legislation does, as I understand it, is to provide that corporations organized outside these States in which the timber is to be cut may have the same privileges under the law that corporations organized within the State have. That does not broaden the law, does it?

Mr. SINNOTT. No; it merely gives a foreign corporation the same right a domestic corporation has.

Mr. MONDELL. Now, the gentleman from Ohio was discussing the law, and the law is what it is, and we are not proposing to change it. The question is, Should a foreign corporation have the same right under the law that domestic corporations have?—and I think the gentleman will admit there is no reason why they should not.

Mr. GARD. Except there be the possible reason of extending the privilege of cutting down this timber of the United States to more persons than at present have the right to cut.

Mr. MONDELL. The only difference in practice would be instead of going to the trouble of securing the privilege in the name of an individual or a State corporation, as would be done now in case the privilege was desired, a foreign corporation would have the right and privilege in its own name.

Mr. HUSTED. They would find a way to cut it, anyway.

Mr. MONDELL. Well, the law is restricted. The privilege is not a broad one under the present law. Those who are entitled to rights under the law will find a way to exercise the right. I do not know of the conditions that arise here that present seemingly a necessity for legislation, but there seems to be no reason why a corporation that has been organized in an adjacent State should not have the same right of a corporation organized in the State in which it is desired to cut—

Mr. GARD. Is the gentleman satisfied there is a necessity for this amendment to the law?

Mr. MONDELL. I really know nothing about it, I will say to my friend, except this, that I think the present law is not more liberal than it should be, rather restrictive than otherwise, and I can not see any reason, while the matter has never been brought to my attention, why a foreign corporation should not have the same right as the domestic corporation, because they must qualify under the law in any event and they must show their claim to the right under the law.

Mr. GARD. Will the gentleman from Oregon advise me of the necessity for adding this amendment?

Mr. SINNOTT. Why, I think there is a necessity for it. A great many mining claims must be developed by foreign corporations in various States and without this law they would not be permitted to cut the timber on the public lands outside of their own claims.

Mr. BEE. Mr. Speaker, will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. BEE. Is it not a rather dangerous precedent to authorize these corporations in one State to transact business in another State, lapping from one State to another?

Mr. SINNOTT. They have to show that they have a right to transact business within the State where they propose to cut the timber, and show that they have complied with the laws of that State. The last paragraph provides for that.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Colorado asks that the bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 1 of an act entitled "An act authorizing the citizens of Colorado, Nevada, and the Territories to fell and remove timber on the public domain for mining and domestic purposes," approved June 3, 1878 (ch. 150, p. 88, vol. 20, U. S. Stat. L.), and section 8 of an act entitled "An act to repeal timber-culture laws, and for other purposes," approved March 3, 1891, as amended by an act approved March 3, 1891 (ch. 559, p. 1093, vol. 26, U. S. Stat. L.), and the several acts amendatory thereof, be, and the same are hereby, extended so that it shall be lawful for the Secretary of the Interior to grant permits to corporations incorporated under a Federal law of the United States or incorporated under the laws of a State or Territory of the United States, other than the State in which the privilege is requested, said permits to confer the same rights and benefits upon such corporations as are conferred by the aforesaid acts upon corporations incorporated in the State in which the privilege is to be exercised: *Provided*, That all such corporations shall first have complied with the laws of that State so as to entitle them to do business therein; but nothing herein shall operate to enlarge the rights of any railway company to cut timber on the public domain.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ALLOTMENTS ON FORT BELKNAP RESERVATION, MONT.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 13225) providing for the allotment of lands within the Fort Belknap Indian Reservation, Mont., and for other purposes.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill in the House as in Committee of the Whole?

Mr. MONDELL. Mr. Speaker, reserving the right to object, I would like to have some explanation as to the necessity for this legislation.

Mr. EVANS of Montana. Mr. Speaker, the bill relates to an Indian reservation in the northeastern part of Montana on which are located about 1,200 or 1,500 Indians. They are very desirous of allotting the lands and taking them in severalty. That seems to be the wish of the Indian Department. They are a tribe of fairly well civilized Indians and fairly capable, I think, of managing their own affairs. I believe the bill has the approval of the department and of the Committee on Indian Affairs and of the Indians themselves.

Mr. MONDELL. I have not a copy of the bill before me. Has the gentleman a copy of the bill?

Mr. EVANS of Montana. Yes. The bill is quite extensive.

Mr. MONDELL. That is my recollection.

Mr. RHODES. Mr. Speaker, as a member of the committee, I would like to be recognized for just a moment.

The SPEAKER pro tempore. The question is pending on the reservation of an objection by the gentleman from Wyoming.

Mr. MONDELL. Mr. Speaker, I ask that the bill go over without prejudice; that the bill be passed over and retain its place on the calendar.

The SPEAKER pro tempore. The gentleman from Wyoming asks unanimous consent that the bill be passed over and retain its place on the calendar. Is there objection?

There was no objection.

CLAIMS OF TRIBES OR BANDS OF INDIANS OF CALIFORNIA.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 12788) authorizing any tribes or bands of Indians of California to submit claims to the Court of Claims.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. MONDELL. I object.

The SPEAKER pro tempore. The gentleman from Wyoming objects. The bill is stricken from the calendar.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the bill remain on the calendar and go to the foot thereof.

The SPEAKER pro tempore. The gentleman from California asks unanimous consent that the bill remain on the calendar and go to the foot thereof. Is there objection?

There was no objection.

SUGAR HOARDING IN THE DISTRICT OF COLUMBIA.

The next business in order on the Calendar for Unanimous Consent was the resolution (H. Res. 521) requesting the Department of Justice to investigate sugar hoarding in the District of Columbia.

The title of the resolution was read.

Mr. GARD. Mr. Speaker, reserving the right to object, it must be apparent that nothing could be gained by affirmative action on this resolution at this time—a resolution to authorize the Federal Trade Commission to investigate sugar hoarding in the District of Columbia, or otherwise restraining commerce, or monopolizing or attempting to monopolize sugar. I see no reason for the continuance of the resolution on the Calendar for Unanimous Consent, and I object.

Mr. KNUTSON. Mr. Speaker, I move that the resolution be stricken from the calendar.

Mr. GARD. The resolution is stricken from the calendar under my motion.

The SPEAKER pro tempore. The gentleman from Ohio objects, and the resolution is stricken from the calendar.

Mr. GARRETT. Mr. Speaker, I want to make an inquiry. Is that a simple House resolution?

The SPEAKER pro tempore. It is a simple House resolution.

Mr. GARRETT. I question whether it is properly on the calendar in the first place.

The SPEAKER pro tempore. It is not now on the calendar.

PINE RIDGE INDIAN RESERVATION.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 397) to authorize a lieu selection by the State of South Dakota for 160 acres on Pine Ridge Indian Reservation, and for other purposes.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration in the House as in Committee of the Whole?

Mr. GARD. In the absence of the gentleman from South Dakota [Mr. GANDY] I suggest, Mr. Speaker, that the bill be passed over and retain its place on the calendar.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent that the bill be passed over and retain its place on the calendar. Is there objection?

There was no objection.

MILK RIVER VALLEY GUN CLUB.

The next business on the Calendar for Unanimous Consent was the bill (S. 793) authorizing the issuance of patent to the Milk River Valley Gun Club.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill in the House as in Committee of the Whole?

Mr. GARD. I object, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Ohio objects.

Mr. VAILE. Mr. Speaker, I hope the gentleman will not object.

Mr. GARD. I will reserve my objection if the gentleman desires to make a statement.

Mr. VAILE. I will be glad to answer questions if I can, if they are stated by the gentleman. This bill is to use this land as a game preserve. It can not be used by the Government or by agricultural or mining locators. It is a boggy flat. It is desired to preserve it for the breeding of young waterfowl, where they can be protected if trespassers are kept out.

Mr. GARD. Where is this particular swamp where they breed wild ducks?

Mr. VAILE. It is in northern Montana, in what is known as the Milk River Valley.

Mr. GARD. This seems to provide for the unlimited purchase of lands at \$50 per irrigable acre, for the construction of irrigation works.

Mr. VAILE. Oh, no, indeed. The gentleman misunderstands the purport of the bill. It provides for the purchase of three forties, two of which are fractional forties, lots 5 and 6, and the southeast quarter of the southwest quarter of section 32. It requires the grantee to pay \$50 per irrigable acre for the construction of irrigation work, if that amount is assessed, for such irrigable area as may be determined by the Secretary of the Interior. As a matter of fact, we think there is none, though the bill, as it came from the Senate, provided for the amount of irrigable area being fixed at 30 acres, to be used as a game preserve. If there are 30 acres, let there be that amount. If there is less, let it be the amount fixed by the Secretary.

Mr. GARD. What is the particular advantage of permitting this patent to be granted to this corporation known as the Milk River Valley Gun Club and impede the possible necessities of the United States?

Mr. VAILE. I can not see how any necessity of the United States could possibly be impeded. If the land is not used for the purpose for which it is granted, it reverts to the United States by the express terms of this bill.

Mr. GARD. Does this gun club have any game preserve now?

Mr. VAILE. No. They have a house on the land which they desire to purchase, but they are not maintaining any preserve, and desire to have this one.

Mr. GARD. Do they have any preserve there?

Mr. VAILE. No.

Mr. GARD. Under their ownership or lease?

Mr. VAILE. No; that is what they are seeking now by this bill, but they have none at present.

Mr. GARD. What is the object of maintaining a clubhouse out there if they have no preserve?

Mr. VAILE. For the convenience of hunters during the game season, but they want this preserve so that they can fence and protect this land during the breeding season of the wild fowl.

Mr. GARD. At the present time the privilege of hunting out there is open to everyone?

Mr. VAILE. True.

Mr. GARD. Under proper restrictions?

Mr. VAILE. That is true.

Mr. GARD. But if this patent is granted then this certain territory is to be fenced in for the exclusive use of the members of the Milk River Valley Gun Club?

Mr. VAILE. That is true, but I submit that should not be regarded as an objection. We have to protect game in some way, and we can hardly expect to make a national park out there.

Mr. GARD. I object, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Ohio objects.

Mr. VAILE. I ask that the bill go to the foot of the calendar without prejudice.

The SPEAKER pro tempore. The gentleman asks unanimous consent that the bill go to the foot of the calendar and be retained thereon. Is there objection?

There was no objection.

YELLOWSTONE NATIONAL PARK.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 12466) authorizing the granting of certain irrigation easements in the Yellowstone National Park, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SMITH of Idaho. I ask unanimous consent that the bill be passed without prejudice.

Mr. BLANTON. I object.

Mr. HUSTED. I object.

The SPEAKER pro tempore. Objection is made. The bill is stricken from the calendar.

PLATTE RIVER IN MISSOURI.

The next business on the calendar for unanimous consent was the bill (H. R. 10920) declaring Platte River to be a nonnavigable stream.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill in the House as in Committee of the Whole?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Platte River in the State of Missouri be, and the same is hereby, declared to be a nonnavigable stream within the meaning of the Constitution and laws of the United States, and jurisdiction over said river is hereby declared to be vested in the State of Missouri.

SEC. 2. That the right of Congress to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the engrossment and third reading of the bill.

Mr. GARRETT. Mr. Speaker, I should like to inquire of the gentleman from Wisconsin [Mr. ESCH] just what the effect is of passing a measure declaring a stream nonnavigable?

Mr. ESCH. By declaring a stream nonnavigable and placing it within the jurisdiction of the State through which it flows, you no longer have to come to Congress to secure the consent of Congress for the construction of a bridge over it.

Mr. GARRETT. Is that the only effect it will have?

Mr. ESCH. Yes. This bill was introduced by the gentleman from Missouri [Mr. BOONER], who has been ill for many months, and therefore he has been unable to secure its consideration before. It is a little stream only 75 miles long, rising in southwestern Iowa and flowing into the State of Missouri and emptying into the Missouri River. The bill was thoroughly investigated by the chief engineer's office at Kansas City. An open hearing was had, notice was given to all interested parties on the river, and there was no protest against the passage of the bill.

Mr. GARRETT. I will say to the gentleman from Wisconsin that I have no objection to the bill; I was simply interested in the legal phase of it. As I understand it, the navigability of a stream is more a question of fact than it is a question of law. Has there, in fact, been any navigation on this stream?

Mr. ESCH. I think when there was some timber on the upper reaches there was a little navigation, but it can hardly float a canoe or boat now.

Mr. GARRETT. This question arises, and in my own section, in the formation of drainage sections, where it is necessary to secure permission from the War Department to alter the course of a stream. I was somewhat interested in the legal phase of it.

Mr. MAYS. Will the gentleman yield?

Mr. ESCH. Yes.

Mr. MAYS. I see that this is designated as the Platte River. There is a Platte River in the State of Nebraska that is of considerable importance.

Mr. ESCH. We do not seek to affect the Platte River in Nebraska in this bill.

Mr. MAYS. Would it not be better to designate the State?

Mr. ESCH. This bill says Platte River in the State of Missouri.

Mr. MAYS. It does not say so in the title.

Mr. MacGREGOR. Will the gentleman yield?

Mr. ESCH. Yes.

Mr. MacGREGOR. Is it the purpose of this bill to take the Platte River out from under the jurisdiction of the Federal Water Power Commission?

Mr. ESCH. No; it has not that purpose; I do not think it could be developed anyhow.

Mr. MacGREGOR. Would it not take it out from under the jurisdiction of the Federal Water Power Commission?

Mr. ESCH. Where it is wholly intrastate. This is interstate; it rises in Iowa.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. ESCH, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 4526. An act to amend section 501 of the transportation act, 1920.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that, December 18, they had presented to the President of the United States, for his approval, the following bills:

H. R. 7900. An act for the relief of Rudolph L. Desdunes;

H. R. 12887. An act establishing the liability of hotel proprietors and innkeepers in the District of Columbia;

H. R. 1865. An act for the relief of the Baltimore Dry Docks & Ship Building Co., owner of a dry dock at Baltimore, Md.; and

H. R. 13264. An act to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, a Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3259. An act for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States; to the Committee on Interstate and Foreign Commerce.

COMMITTEE TO INVESTIGATE AND ESTABLISH NAVAL AVIATION AND SUBMARINE BASES.

Mr. BUTLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate joint resolution 227 and consider the same.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take from the Speaker's table Senate joint resolution 227. Is there objection?

There was no objection.

The Clerk read the joint resolution, as follows:

Senate joint resolution (S. J. Res. 227) extending the time within which the special joint committee appointed to investigate the advisability of establishing certain naval, aviation, and submarine bases in the United States is required to make its report to Congress.

Resolved, etc., That the time limit within which the special joint committee created by the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, is required to submit its report to the Congress of the United States be, and it hereby is, deferred and extended to January 31, 1921.

The SPEAKER. Is there objection?

Mr. GARD. Reserving the right to object—

Mr. BUTLER. Gentlemen on the committee have told me that it is absolutely impossible to make the report by the 1st of January, and ask that the House will join the Senate in extending the time 30 days. I just had a talk with the gentleman from Tennessee [Mr. PADGETT], and he hopes that the joint resolution will be passed.

Mr. GARD. What was the original time of making the report?

Mr. BUTLER. January 1, 1921.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Senate joint resolution was read the third time and passed.

WITHDRAWAL OF CERTAIN PUBLIC LANDS.

The next business on the Calendar for Unanimous Consent was the bill (S. 2379) to provide for the disposition of certain public lands withdrawn and improved under the provisions of the act of Congress approved June 25, 1910 (36 Stat. L., p. 847), as amended by the act of August 24, 1912 (27 Stat. L., p. 497), and which are no longer needed.

The SPEAKER. Is there objection?

Mr. JONES of Texas. Reserving the right to object, does this bill authorize the sale of public lands or lands of some character?

Mr. SINNOTT. The lands which the bill authorizes the sale of are lands that have been heretofore withdrawn for exploratory drilling for water. It covers some 280 acres that have been heretofore withdrawn. This bill was prepared in the department and introduced by the chairman of the Senate committee.

Mr. JONES of Texas. If the bill is passed, the lands can be sold.

Mr. SINNOTT. Yes; these particular lands may be sold at public auction, but they must be sold for at least the appraised value of the land.

Mr. JONES of Texas. Does this provide for a reservation by the Government of all oil and mineral rights?

Mr. SINNOTT. No; there is no such reservation.
Mr. JONES of Texas. Would the gentleman object to such an amendment?

Mr. SINNOTT. I would not.

Mr. JONES of Texas. Then I shall not object.

Mr. GARD. Mr. Speaker, I object to the consideration of the bill.

Mr. SINNOTT. Will the gentleman withhold his objection for a moment?

Mr. GARD. Yes.

Mr. SINNOTT. The only interest I have is that it was introduced at the request of the Secretary of the Interior. There is this land that has been explored for water at a great expense by the Government, and it remains undisposed of. This is an opportunity to permit the Government to reimburse itself for a very large expenditure. Mr. Speaker, I ask unanimous consent that the bill may go to the foot of the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

REFUND OF DUTIES COLLECTED ON FIELD KITCHENS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 6171) to authorize the refund of duties collected on field kitchens imported during the year 1915.

The SPEAKER. Is there objection to the bill?

Mr. GARD. Reserving the right to object—

Mr. CANNON. What is the bill?

Mr. GARD. This is a bill, I will say to the gentleman from Illinois, for the refund of duties paid on field kitchens, and the gentleman from Illinois had some colloquy with the gentleman from Illinois [Mr. BRITEN] about this same bill when it was up before.

Mr. CANNON. The duties were collected under the law and presumably are in the Treasury. How much do the duties amount to?

Mr. GARD. I do not know the amount. One objection to the bill would be that the amount is so inconsequential that it would be difficult to get it back to the donors.

Mr. CANNON. These field kitchens were largely paid for by subscriptions.

Mr. GARD. I understand so. I understand that the amount collected was \$182.25.

Mr. CANNON. They were paid for by subscriptions by the public.

Mr. GARD. I am not familiar with the bill. It was introduced by the gentleman from Illinois [Mr. BRITEN] at the last session. When the bill was up for consideration, the gentleman from Illinois [Mr. CANNON] objected to its consideration at that time.

Mr. CANNON. We are passing it now hop, skip, and jump, by unanimous consent, and, without speaking disrespectfully of another body, pretty nearly as the other body passes bills—without much consideration. I think it would better come up in the regular way or when we have a full House.

The SPEAKER. Does the Chair understand the gentleman from Illinois to object?

Mr. CANNON. Yes.

Mr. MANN of Illinois. Mr. Speaker, I ask unanimous consent that the bill may go to the foot of the calendar.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bill may go to the foot of the calendar. Is there objection?

Mr. GARRETT. Mr. Speaker, this is the second time that it has been stricken from the calendar, is it not?

Mr. MANN of Illinois. It was up before. Whether it was stricken from the calendar then or not I do not know.

Mr. GARRETT. If it was not, it should have been under the rule.

Mr. MANN of Illinois. It should have been unless by unanimous consent it was retained on the calendar.

Mr. GARRETT. Of course.

Mr. MANN of Illinois. I think that is the case, although I would not say. The bill was introduced by my colleague, and he does not happen to be on the floor at this time.

Mr. CANNON. Nobody call tell the amount and nobody can tell how much it would cost to find out who the donors were. It would require much investigation. With equal propriety we might return all that was contributed to the Red Cross to the people who contributed it, and a hundred other charities.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. MANN] that the bill go to the foot of the calendar?

Mr. CANNON. Is my friend in earnest? Does he want it to go to the foot of the calendar?

Mr. MANN of Illinois. My colleague who introduced the bill is not on the floor at the present time. He is unavoidably detained from the Chamber, and I think it is a proper courtesy to him to retain it on the calendar.

The SPEAKER. Is there objection?

There was no objection.

WATER SUPPLY OF SUNNYSIDE, UTAH.

The next business on the Calendar for Unanimous Consent was the bill (S. 46) for the protection of the water supply of the town of Sunnyside, Utah.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the public lands within the several townships and subdivisions thereof hereinafter enumerated, situated in the county of Carbon and State of Utah, are hereby reserved from all forms of location, entry, or appropriation, whether under the mineral or non-mineral land laws of the United States, and set aside as a municipal water-supply reserve for the use and benefit of the people of the town of Sunnyside, a municipal corporation of the State of Utah, as follows, to wit: The south half of south half of section 34, in township 13 south, range 14 east, Salt Lake base and meridian; and also the following lands which, when surveyed, will be described as follows, to wit: All of section 11; west half of section 12; all of section 13; and all of section 14, in township 14 south, range 14 east, of Salt Lake base and meridian.

Sec. 2. That the lands heretofore described and reserved for municipal water-supply purposes shall be administered by the Secretary of the Interior, in cooperation with and at the exclusive expense of the town of Sunnyside, Utah, for the purpose of storing, conserving, and protecting from pollution the said water supply, and preserving, improving, and increasing the timber growth on said lands, to more fully accomplish such purposes; and to that end said municipality shall have the right, subject to the approval of the Secretary of the Interior, to the use of any and all parts of the lands reserved for the storage and conveying of water and construction and maintenance thereon of all improvements for such purposes.

Sec. 3. That the said Secretary of the Interior is hereby authorized to prescribe and enforce such regulations as he may find necessary to carry out the purpose of this act, including the right to forbid persons other than those authorized by him and the municipal authorities of said municipal corporation from entering or otherwise trespassing upon these lands, and any violation of this act or of regulations issued thereunder shall be punishable as is provided for in section 50 of the act entitled "An act to codify, revise, and amend the penal laws of the United States, approved March 4, 1909" (35 Stat. L., 1098), as amended by the act of Congress approved June 25, 1910 (36 Stat. L., 857).

Sec. 4. That this act shall be subject to all legal rights heretofore acquired under any law of the United States, and the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 2, line 19, after the word "purposes," insert:

"Provided, That deposits of coal or other minerals in the lands reserved by this act may be leased or otherwise disposed of by the Secretary of the Interior under laws applicable to such deposits, if and when he shall find that same may be mined and removed without injury to the municipal water supply of Sunnyside, Utah."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

HOMESTEAD ENTRIES, FORT ASSINIBOINE MILITARY RESERVATION, MONT.

The next business on the Calendar for Unanimous Consent was the bill (S. 2964) providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Assiniboine Military Reservation, in Montana.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, reserving the right to object, I should like to ask some one interested in the bill a question.

Mr. EVANS of Montana. I am interested in it.

Mr. BEGG. Is this the first request for postponement of time?

Mr. EVANS of Montana. Yes.

Mr. BEGG. What is the occasion for the request?

Mr. EVANS of Montana. The reservation is in the northern part of Montana in rather a barren country. They have had some three or four years of drought up there. It was a military reservation and was abandoned and the lands were sold to individuals and homesteaders at the rate of \$2.50 per acre, the payments to be made annually. They have had no crop up there in three or four years and they are practically destitute and can not make their payments. If they do not make their payments they simply forfeit the improvements they have put on there during the last two or three years.

Mr. BEGG. In the last session did we not pass a similar act to this?

Mr. EVANS of Montana. Not for these people, but for the Fort Peck Indian Reservation, which, though not contiguous, is

close by. The gentleman will find that the Secretary, in his letter, says that the same conditions prevail here as did with respect to the Fort Peck Indian Reservation, and he asks that the time be extended on these lands, as on the Fort Peck Indian Reservation lands.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted etc., That any person who has made homestead entry under the provisions of the act of Congress approved February 11, 1915 (38 Stat. L., p. 807), entitled "An act authorizing the Secretary of the Interior to survey the lands of the abandoned Fort Assiniboline Military Reservation and open the same to settlement," may obtain an extension of time for one year from the anniversary of the date of entry last preceding the passage of this act within which to pay all of the installment then due or any part of any preceding installment, where payment has not yet been made and where an extension of time therefor is not authorized by any act of Congress by paying interest at the rate of 5 per cent per annum on the sums to be extended from the maturity of the unpaid installments to the expiration of the period of extension, the interest to be paid to the receiver of the land office for the district in which the lands are situated, within such time as may be prescribed for that purpose by the Secretary of the Interior: *Provided*, That any installment which becomes due within one year from the passage of this act and for which an extension of time for payment is not otherwise authorized, may also be extended for a period of one year by paying interest thereon in advance at the said rate: *Provided further*, That any payment so extended may thereafter be extended for a further period of one year in like manner: *And provided further*, That if commutation proof is submitted, all the unpaid payments must be made at that time.

SEC. 2. That the failure of any entryman to make any payment that may be due, unless the same be extended, or to make any payment extended either under the provisions hereof or other act of Congress, at or before the time to which such payment has been extended, shall forfeit the entry and the same shall be canceled, and any and all payments theretofore made shall be forfeited.

With the following committee amendment:

Page 2, line 16, after the word "thereafter," insert "in the discretion of the Secretary of the Interior."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. EVANS of Montana, a motion to reconsider the vote by which the bill was passed was laid on the table.

FEDERAL RESERVE ACT.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 14021) to amend the act approved December 23, 1913, known as the Federal reserve act.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BEGG. I object.

The SPEAKER. Objection is heard, and the Clerk will report the next bill.

ACQUIREMENT OF RURAL HOMES.

The next business on the Calendar for Unanimous Consent was the bill (S. 3477) to increase, without expenditure of Federal funds, the opportunities of the people to acquire rural homes, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MONDELL. Mr. Speaker, this bill will probably be brought up under a rule a little later, and I do not think it ought to be considered at this time. I object.

MILITARY TELEGRAPH CORPS, CIVIL WAR.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 5815) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, is there anyone here who can give us information about the number of people who will be affected by this bill, in respect to their military status? In the absence of the gentleman who made the report and the Member who introduced the bill, I ask that the bill be passed without prejudice.

Mr. MANN of Illinois. Mr. Speaker, it ought to go to the foot of the calendar.

The SPEAKER. Without objection, the bill will go to the foot of the calendar.

There was no objection.

MONTEZUMA NATIONAL FOREST.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8692) authorizing the exchange of lands within the Montezuma National Forest in Colorado.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. GARD. Mr. Speaker, reserving the right to object, will the gentleman advise the membership of the House of the purpose and extent of this bill?

Mr. TAYLOR of Colorado. I shall be very glad to try to do so.

Mr. Speaker, the Montezuma National Forest, in the State of Colorado, was formed about 20 years ago, and takes quite an amount of privately owned land, scattered through it in isolated tracts. Between these privately owned tracts there is intervening Government land. Both the Forest Service officials and the private owners have been trying for several years to obtain the passage of a bill authorizing the consolidation of these tracts. This bill was prepared with the approval of the Forest Service and the consent of the local owners for the purpose of allowing them to make some exchanges and let the Government consolidate its land and the private owners consolidate their land, with the approval of the Secretary of Agriculture. I may say there is not very much valuable timber in that country, and I am confident there is little or none involved in these exchanges. It is a matter of mutual convenience for the Forest Service people and the local owners. The Agricultural Department, including the Forest Service, has made several very elaborate reports upon this bill and the officials came before the committee and made an elaborate statement, which is published in my report, showing the advisability of the passage of this measure. I desire to say to the gentleman and the members of the committee that the Public Lands Committee has tried a number of times during the last five or six years to pass a general forest reserve exchange bill, allowing, generally speaking, the Forest Service and the owners, with the approval of the owners and the approval of the Agricultural Department, to exchange private lands generally for Government lands and Government lands for private lands, and for the purpose of consolidating, economizing, and making more efficient the administration of the Forest Service in guarding against fires, predatory wild animals, regulating grazing, and so forth. But we never yet have been able to pass a general bill of that kind. There is a bill of that kind on the calendar now that ought to be passed.

There is no reason under heaven why that kind of a bill, properly safeguarded, should not be passed. But at present the only way we can accomplish anything is to take up these forest reserves one at a time and try to pass a bill for each individual forest service. There are about 20 of those bills pending before the Senate and House now like this one, approved by the Forest Service, and this is merely one of them. I have been trying to pass this bill for several years. The Montezuma National Forest is in the southwestern part of Colorado in my congressional district. There has never been any expressed opposition to this bill, and there can be no objection I know of by anybody. The language meets with the approval of the Public Lands Committee and the Secretary of Agriculture and the Forest Service. And I feel, in view of the fact we have passed something like a dozen similar bills and there are something like a dozen more to be strung along at various times, that there can not be any valid objection to the passage of this one at this time.

Mr. GARD. Does it require joint action and approval of the Secretary of the Interior and the Secretary of Agriculture?

Mr. TAYLOR of Colorado. Wherever there are public lands, yes; but if it is private land within the forest reserve, then the Interior Department has nothing to do with it and we allow the Secretary of Agriculture to determine that matter, but if there is any public land to be exchanged the Secretary of the Interior has to be consulted. That is the general practice, I believe.

Mr. CHINDBLOM. Will the gentleman yield under his reservation and allow me to ask a question?

Mr. GARD. Surely.

Mr. CHINDBLOM. Are there any natural resources in this reservation outside of the timber?

Mr. TAYLOR of Colorado. No. Nothing that would be affected by this exchange.

Mr. CHINDBLOM. Any water power?

Mr. TAYLOR of Colorado. If there is water power, it would come under the water-power law, and coal and gas and minerals are not involved, as they come under special laws.

Mr. CHINDBLOM. If there is any water power, I suggest; it would be rather unwise to give blanket authority to exchange such lands merely in the discretion of some gentleman.

Mr. TAYLOR of Colorado. No. All the water power in the United States comes under the present water-power law, which we passed last summer. That is already under the control of the Government.

Mr. CHINDBLOM. But this will give authority to exchange some lands for other lands without the exception of natural resources.

Mr. TAYLOR of Colorado. Those natural resources do not go with the surface of the land any more. They are patented separately, or are subject to lease under the act of February 25, 1920.

Mr. CHINDBLOM. I am asking that.

Mr. TAYLOR of Colorado. All minerals, coal, oil, gas, and so forth, are reserved.

Mr. CHINDBLOM. Water power?

Mr. TAYLOR of Colorado. Yes; the waters of navigable streams belong to the Government, and the water-power sites on public lands also belong to the Government, and no one could get control of them by exchanges of land such as would be authorized by this bill.

Mr. CHINDBLOM. All that is protected?

Mr. TAYLOR of Colorado. Yes; it is all reserved and fully protected.

Mr. CHINDBLOM. And would not apply to this bill?

Mr. TAYLOR of Colorado. No; it would not apply to this at all. I am perfectly confident there is no possibility of fraud or imposition upon the Government under the terms of this bill. It has been very carefully drawn and exhaustively examined by Government officials and attorney.

Mr. CANNON. Will the gentleman allow me to ask him a question?

Mr. TAYLOR of Colorado. Certainly.

Mr. CANNON. I understood the gentleman to say that this was not very well timbered?

Mr. TAYLOR of Colorado. No; there is not much timber of any appreciable value upon the lands to be exchanged. We have no large tracts of valuable timber like California and Washington and Oregon.

Mr. CANNON. Well, we have not been very happy heretofore where we have authorized the exchange of land; great scandal when the lands exchanged were of less value and valuable timber tracts given, and so forth.

Mr. TAYLOR of Colorado. Practically speaking, there is little valuable, merchantable timber in the vicinity of these desired exchanges; but if the Government gave up any timber it would be for a full, fair, and reasonable consideration. There is no danger any more of the Government agents getting the worst of it in these exchanges.

Mr. CANNON. Are these lands which they exchange outside of that country?

Mr. TAYLOR of Colorado. No. This bill only applies to the Montezuma National Forest, in southwestern Colorado.

Mr. CANNON. How extensive is that?

Mr. TAYLOR of Colorado. There are 14,748,943 acres in the 19 national forest reserves in Colorado. In the Montezuma National Forest there are 812,100 acres. Nine of our Colorado national forests are larger and nine are smaller than the Montezuma.

My printed report upon this bill is very full and contains elaborate reports from the Secretary of Agriculture and covers 13 pages of fine print. At pages 5 and 6 I say:

Your committee has about 20 local bills similar to this one now pending before it and also some general bills. The Senate has also about 20 of these bills and has passed several times a general bill authorizing exchange of lands generally within all of the national forests throughout the West, and your committee believes that a general law, properly safeguarded, should be enacted to obviate the necessity of passing a large number of these local bills. These bills now pending pertain to 26 different national forests.

Some of the bills provide for the exchange of both land and timber for land, which the Forest Service in some localities is quite anxious to do, and some of the bills limit the number of acres that can be exchanged in any one national forest in any one year.

There are 155,000,000 acres of Government-owned public land and 20,000,000 acres of private-owned lands scattered throughout the 157 national forests, and those private lands are mostly isolated from neighbors, and their occupancy is unsatisfactory to both the present owners and to the Forest Service, and if these isolated and scattered tracts could be exchanged and consolidated it would be of great convenience to both the Government and the owners, provided, of course, such exchanges can be properly safeguarded to protect the Government both as to timber and character of lands exchanged. This bill is recommended by a large number of citizens who have sent in petitions for this purpose, and it is also recommended by the State and Forest Service officials for the benefit of the Montezuma National Forest, with the exception of section 23, township 37, referred to, which is just outside the national forest and which the Forest Service officials say is necessary for the use of the Forest Service as a gateway into this Montezuma National Forest; the Forest Service is quite anxious to obtain title to these lands in that section for the proper handling of range stock in that national forest; therefore your committee believes that the bill should be passed. Inasmuch as these exchanges are made subject to the discretion and approval of both the Secretary of the Interior and Secretary of Agriculture, it would seem as though there can be no likelihood of any injury inuring to the Government or of any kind of fraud or injustice being perpet-

trated and that the exchanges ought to be authorized in the interest of the economical administration of the Montezuma National Forest, as well as for the welfare of the citizens residing within that national forest.

Mr. CANNON. What is the size of the Montezuma National Forest?

Mr. TAYLOR of Colorado. Eight hundred and twelve thousand one hundred acres. But there is only a very small part of it to which this exchange bill would apply.

Mr. CANNON. They sell the little tracts for what they are worth, do they?

Mr. TAYLOR of Colorado. No; that is not the idea. The private owners have small tracts or ranches scattered around, and they want to consolidate them—to trade lands with the Government—and get their holding together.

Mr. CANNON. Then the Government gains or loses, as the case may be?

Mr. TAYLOR of Colorado. The Government never loses anything in these exchanges. Nowadays they have some very wise forest-reserve officials who look after the Government's welfare very thoroughly. There has been no scandal or public complaint for many years about anything of that kind. I feel that, inasmuch as it is an exchange of forest-reserve land that is probably better adapted for agricultural purposes for timberland than the forest-reserve officials want to be included in the forest reserve, it is a measure that should be passed. It consolidates a lot of checkerboard ownerships.

Mr. SMITH of Idaho. This legislation was initiated by the Secretary of the Interior. It does not interest the Members themselves. It is initiated by those who are charged with the administration of these lands.

Mr. TAYLOR of Colorado. It is initiated by the Secretary of Agriculture.

Mr. CANNON. Well, for the present—

Mr. TAYLOR of Colorado. There are a number of other bills similar to this, I may say to the ex-Speaker, that other Members are interested in, and which they desire to see passed.

Mr. CANNON. Well, if you made a general bill, it would be worth looking after.

Mr. TAYLOR of Colorado. We can not at this session, I fear, pass a general exchange bill. It would involve too much time and debate.

Mr. CANNON. In that case you could kill all the birds with one stone. But being a little here and a little there, the bills pass as a courtesy to the Members who represent those sections.

Mr. TAYLOR of Colorado. Are not the Members representing those sections entitled to a little courtesy sometimes?

Mr. CANNON. Yes; but I think it would pay to consider it wholesale rather than by piecemeal by unanimous consent.

Mr. TAYLOR of Colorado. Of course, I will have to defer to the ex-Speaker's judgment and good will upon this unanimous-consent day.

Mr. CANNON. I am just telling you how it seems to me. There is more legislation by unanimous consent, considering the number of bills that are passed, than is useful to the Government.

Mr. TAYLOR of Colorado. I understand that the gentleman asks that it go to the foot of the calendar?

Mr. CANNON. I have no objection to its going to the foot of the calendar if the gentleman desires it to go there.

Mr. TAYLOR of Colorado. Mr. Speaker, in view of the gentleman's objection, I will have to request that the bill be passed over for the present and be put at the foot of the calendar.

The SPEAKER pro tempore. The gentleman from Colorado requests that the bill go to the foot of the calendar. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Colorado a question: By the exchange of such lands within these national forests, could a forest which has been set aside for certain purposes be in any way changed?

Mr. TAYLOR of Colorado. Oh, no. This bill is looked upon by the local supervisor and the forest ranger as advantageous to the Government of the United States to make it possible to have some of these little isolated, checkerboard ownerships consolidated and the Government lands also consolidated.

Mr. BLANTON. The gentleman understands that the attempt is now being made to utilize these national forest reserves for purposes other than those for which they were designed, and that there is a protest coming up from all over the country. There is no chance of this forest reserve being used for other purposes than those for which it was designed?

Mr. TAYLOR of Colorado. No. The people out there look upon this just as a matter of mutual benefit and for the general welfare; that is all.

The SPEAKER. Objection has been made. The bill will go to the foot of the calendar. The Clerk will report the next bill.

JUDICIAL DISTRICT OF ALASKA.

The next business on the Calendar for Unanimous Consent was the bill (S. 4205) to amend section 4, chapter 1 of Title I of an act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900, as heretofore amended by section 2 of an act entitled "An act to amend section 86 of an act to provide a government for the Territory of Hawaii, to provide for additional judges, and for other judicial purposes," approved March 3, 1909, and for other purposes.

The title of the bill was read.

Mr. VOLSTEAD. Mr. Speaker, I ask unanimous consent that the bill be passed over.

Mr. GARD. What is the reason for that?

Mr. VOLSTEAD. We have discovered that there is an error in the description of the district to be formed under this bill. I am waiting for information to be filed by the Attorney General and one of the judges up there in order to have the bill properly amended.

Mr. GARD. The only purpose of the bill is to fix the boundaries of some district court in Alaska?

Mr. VOLSTEAD. Yes; that is correct.

Mr. GARD. And the gentleman is endeavoring to have the boundaries correctly described?

Mr. VOLSTEAD. Yes.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the bill be passed over. Is there objection to the gentleman's request?

There was no objection.

The SPEAKER. The Clerk will report the next bill.

DESERT LANDS IN NEVADA.

The next business on the Calendar for Unanimous Consent was the bill (S. 2977) to amend section 8 of an act to provide for the sale of desert lands in certain States and Territories, approved March 3, 1877, as amended by an act to repeal timber-culture laws, and for other purposes, approved March 3, 1891.

The title of the bill was read.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, Mr. Speaker, what is the purpose of this bill?

Mr. McLAUGHLIN of Michigan. Mr. Speaker, if you please, let the bill be read.

The SPEAKER pro tempore (Mr. CAMPBELL of Kansas). The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 8 of an act to provide for the sale of desert lands in certain States and Territories, approved March 3, 1877, as amended by an act to repeal timber-culture laws, and for other purposes, approved March 3, 1891, be, and the same is hereby, amended so as to read as follows:

"Sec. 8. That the provisions of the act to which this is an amendment, and the amendments thereto, shall apply to and be in force in the State of Colorado, as well as the States named in the original act; and, excepting in the State of Nevada, no person shall be entitled to make entry of desert lands unless he be a resident citizen of the State or Territory in which the land sought to be entered is located."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MANN of Illinois. Reserving the right to object, the gentleman from Colorado [Mr. TAYLOR] reported the bill, and I see he has forgotten now what it was. I hope he will take time to find out what it is.

Mr. TAYLOR of Colorado. I was really paying more attention to my own bill than to this.

Mr. MANN of Illinois. We passed a bill with reference to desert-land entries applying to certain things. It did not apply, I believe, to the State of Colorado. Now it is proposed, is it, to make this apply to the State of Colorado?

Mr. TAYLOR of Colorado. No; it is not proposed to make it apply to the State of Colorado.

Mr. MANN of Illinois. That is what it says. Maybe it is not. The gentleman has evidently forgotten it.

Mr. TAYLOR of Colorado. I reported the bill a long time ago. It is not my bill. It is a Senate bill.

Mr. SINNOTT. The only change that this makes in the law is to omit the requirement that the residents of the State of Nevada shall be residents in the State. The original act requires that no person shall be entitled to make an entry of desert land unless he is a resident of the State or Territory in which the land sought to be entered is located. This dispenses with that feature as far as Nevada is concerned.

Mr. MANN of Illinois. Really, what excited my curiosity was this: The existing law provides that no person shall be

entitled to make entry of desert land "except" he be a resident citizen.

Now, the word "except" may not have been the better word to use. I do not know. But the distinguished Committee on the Public Lands, or the distinguished Senate, whoever it was, struck out "except" and inserted "unless." As these gentlemen are students of languages, I desire to know the distinction between "except he be a resident citizen" and "unless he be a resident citizen." There must be some reason for the change of this language. Just how far-reaching that may be in its effect I do not know, and therefore I make the inquiry.

Mr. SINNOTT. I would assume that it was the purpose of another body that we are not permitted to mention here—

Mr. MANN of Illinois. Oh, yes; you can mention them.

Mr. SINNOTT. Having used the word "except" in the third line previous, they used "unless" here for euphony.

Mr. MANN of Illinois. "Euphony" is a good word, and I have nothing further to say.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The bill is on the Union Calendar.

Mr. MANN of Illinois. My copy of the bill says it is on the House Calendar.

The SPEAKER pro tempore. That is an error.

Mr. TAYLOR of Colorado. It is on the Union Calendar.

Mr. MANN of Illinois. There may be a star print of the bill. I did not get it until this morning.

Mr. MacGREGOR. There is a star print.

Mr. TAYLOR of Colorado. The bill is on the Union Calendar. I ask unanimous consent that it be considered in the House as in Committee of the Whole.

Mr. MANN of Illinois. The Speaker ruled in the last session that a Union Calendar bill on the Unanimous Consent Calendar, if not objected to, automatically receives consideration of the House as in Committee of the Whole.

The SPEAKER pro tempore. The present occupant of the chair accepts that decision. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That section 8 of an act to provide for the sale of desert lands in certain States and Territories, approved March 3, 1877, as amended by an act to repeal timber-culture laws, and for other purposes, approved March 3, 1891, be, and the same is hereby, amended so as to read as follows:

"Sec. 8. That the provisions of the act to which this is an amendment, and the amendments thereto, shall apply to and be in force in the State of Colorado, as well as the States named in the original act; and, excepting in the State of Nevada, no person shall be entitled to make entry of desert lands unless he be a resident citizen of the State or Territory in which the land sought to be entered is located."

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote by which the bill was passed was laid on the table.

ARID LANDS IN THE STATE OF CALIFORNIA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8864) to encourage the reclamation of certain arid lands in the State of California, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHINDBLOM. I would like to have the bill read.

The SPEAKER pro tempore. The Clerk will report the bill.

Mr. MANN of Illinois. I reserve the right to object.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized in his discretion to grant to any citizen of the United States, or to any association of such citizens, a permit, which shall give the exclusive right, for a period not exceeding two years, to drill or otherwise explore for water beneath the surface of not exceeding 2,560 acres of arid, unreserved, unappropriated, nonmineral, nontimbered public lands of the United States, in the State of California, lying east of the Sierra Nevada Mountains, not susceptible of successful irrigation at a reasonable cost from any known available source of surface water supply: *Provided, however*, That not more than one such permit shall be issued to the same citizen or the same association of citizens within an area of 40 miles square: *And provided further*, That said land shall not be fenced or otherwise exclusively used by the permittee except as herein provided: *And provided further*, That said land shall therefore have been designated by the Secretary of the Interior as subject to disposal under the provisions of this act.

Sec. 2. That the Secretary of the Interior is hereby authorized, on application or otherwise, to designate the lands subject to disposal under the provisions of this act: *Provided, however*, That where any person or association qualified to receive a permit under the provisions of this act shall make application for such permit upon land which has not been designated as subject to disposal under the provisions of this

act (provided said application is accompanied and supported by properly corroborated affidavit of the applicant, in duplicate, showing prima facie that the land applied for is of the character contemplated by this act), such application, together with the regular fees and commissions, shall be received by the register and receiver of the land district in which said land is located and suspended until it shall have been determined by the Secretary of the Interior whether said land is actually of that character. That during such suspension the land described in the application shall not be disposed of; and if the land shall be designated under this act, then such application shall be allowed; otherwise it shall be rejected, subject to appeal.

SEC. 3. That any qualified applicant for a permit under section 1 of this act shall file with the register or receiver of the land district in which said land is located the application for such permit and shall make and subscribe before the proper officer and file with said register or receiver an affidavit that such application is honestly and in good faith made for the purpose of reclamation and cultivation and not for the benefit of any other person or corporation, and that the applicant is not acting as agent for any person, corporation, or syndicate in making such application, nor in collusion with any person, corporation, or syndicate to give them the benefit of the land applied for or any part thereof, and that the applicant will faithfully and honestly endeavor to comply with all of the requirements of this act, and shall pay to said register and receiver a filing fee of 1 cent per acre for each acre of land embraced in said application, and such applicant shall then be entitled to receive such permit after the lands embraced therein are designated as provided in section 2 of this act.

SEC. 4. That such a permit shall be upon condition that the permittee shall begin operations for the development of underground waters within six months from the date of the permit and continue such operations with reasonable diligence until water has been discovered in the quantity hereinafter described, or until the date of the expiration of the permit. Upon the presentation at any time of proof satisfactory to the Secretary of the Interior that any permittee is not conducting such operations in good faith and with reasonable diligence, or has violated any of the terms of the permit, the Secretary shall forthwith cancel such permit, and such permittee shall not again be granted a permit under this act.

SEC. 5. That on establishing at any time within two years from the date of the permit to the satisfaction of the Secretary of the Interior that underground waters in sufficient quantity to produce at a profit agricultural crops other than native grasses upon not less than 20 acres of land has been discovered and developed and rendered available for such use within the limits of the land embraced in any permit the said permittee shall be entitled to a patent for one-fourth of the land embraced in the permit, such area to be selected by the permittee in compact form according to the legal subdivisions of the public land surveys if the land be surveyed, or to be surveyed at his expense under rules and regulations established by the Secretary of the Interior if located on unsurveyed land.

SEC. 6. That the remaining area within the limits of the land embraced in any such permit shall thereafter be subject to entry and disposal only under "An act to secure homesteads to actual settlers on the public domain," approved May 20, 1862, and amendments thereto, not exceeding 160 acres to any one person.

SEC. 7. That the receipts obtained from the sale of lands under the provisions of section 6 hereof shall be paid into, reserved, and appropriated as a part of the reclamation fund created by the act of Congress approved June 17, 1902, known as the reclamation act.

SEC. 8. That all entries made and patents issued under the provisions of this act shall be subject to and contain a reservation to the United States of all the coal and other valuable minerals in the lands so entered and patented, together with the right to prospect for, mine, and remove the same. The coal and other valuable mineral deposits in such lands shall be subject to disposal by the United States in accordance with the provisions of the coal and mineral land laws in force at the time of such disposal. Any person qualified to locate and enter the coal or other mineral deposits, or having the right to mine and remove the same under the laws of the United States, shall have the right at all times to enter upon the lands entered or patented, as provided by this act, for the purpose of prospecting for coal or other mineral therein, provided he shall not injure, damage, or destroy the permanent improvements of the entryman or patentee, and shall be liable to and shall compensate the entryman or patentee for all damages to the crops on such lands by reason of such prospecting. Any person who has acquired from the United States the coal or other mineral deposits in any such land, or the right to mine or remove the same, may reenter and occupy so much of the surface thereof as may be required for all purposes reasonably incident to the mining or removal of the coal or other minerals, first, upon securing the written consent or waiver of the homestead entryman or patentee; second, upon payment of the damages to crops or other tangible improvements to the owner thereof, where agreement may be had as to the amount thereof; or, third, in lieu of either of the foregoing provisions, upon the execution of a good and sufficient bond or undertaking to the United States for the use and benefit of the entryman or owner of the land, to secure the payment of such damages to the crops or tangible improvements of the entryman or owner, as may be determined and fixed in an action brought upon the bond or undertaking in a court of competent jurisdiction against the principal and sureties thereon, such bond or undertaking to be in form and in accordance with rules and regulations prescribed by the Secretary of the Interior and to be filed with and approved by the register and receiver of the local land office of the district wherein the land is situated, subject to appeal to the Commissioner of the General Land Office: *Provided*, That all patents issued for the coal or other mineral deposits herein reserved shall contain appropriate notations declaring them to be subject to the provisions of this act with reference to the disposition, occupancy, and use of the surface of the land.

SEC. 9. That the Secretary of the Interior is authorized to prescribe the necessary and proper rules and regulations and to do any and all things necessary to carry out and accomplish the purposes of this act.

With the following committee amendments:

1. On page 1, in line 3, after the word "authorized," insert "in his discretion."

2. On page 1, in line 11, after the word "Mountains," insert "and in the State of Idaho."

3. On page 2, in line 3, after the word "however," strike out the remainder of the line and all of lines 4 and 5, and the word "square," in line 6, and insert in lieu thereof the following: "That no permit shall be issued to the same citizen or the same association of citizens for lands the nearest legal subdivision of which is within 40 miles of any tract covered by an existing permit to such citizen or association of citizens."

4. On page 2, in line 17, after the word "otherwise," insert the words "in his discretion."

5. On page 3, in line 10, after the word "shall," insert the words "in the discretion of the Secretary."

6. On page 4, in line 3, after the word "then," insert the words "in the discretion of the Secretary."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MANN of Illinois. Reserving the right to object, this is an old matter. In the Sixty-fourth Congress the gentleman from California [Mr. RAKER] introduced a bill to make this same thing apply to the whole State of California, and the Department of the Interior reported against it and asked that it be limited to a part of the State of California.

In the Sixty-fifth Congress the gentleman from California [Mr. RAKER] reintroduced the bill, applicable to the whole State of California, and the Department of the Interior again reported against it as applying to the whole State of California, stating that it would make no objection if the bill was limited to that part of California east of the Sierra Nevada Mountains.

Then the gentleman from California [Mr. RAKER] in this Congress introduced a bill in accordance with the recommendations of the General Land Office. Thereupon the Committee on the Public Lands, without any investigation of anything, or any report from anybody, proposed to include the whole State of Idaho, although that State does not come at all within the scope of the original decision as to the lands to which this sort of thing might be applied.

Mr. SMITH of Idaho. It is true that the bill was amended in the committee to include the State of Idaho, but, of course, the Secretary of the Interior would not undertake to grant a permit to sink wells under a law of this character except in the arid portion of the State, which is the extreme southern end. Everyone who knows anything about Idaho and its climatic conditions knows that the southern section is arid almost to the extent that Nevada is arid, and to the same extent as that portion of California lying east of the Sierra Nevada.

Mr. MANN of Illinois. That may all be. The original act was passed to try an experiment in the State of Nevada, and it was claimed then that Nevada was wholly nonirrigable. Whether that act has done any good or whether it has been made use of, I do not know.

He used the same language in the original bill introduced by the gentleman from California, as to California, which limited the right of exploration in nonirrigable lands, and the Department of the Interior, which has the execution of this law, objected to the blanket provision. The gentleman from California then limited his new bill to a certain portion of California. If the objection of the Interior Department was valid, and I do not undertake to say whether it was or not—but it prevented the Committee on Public Lands in two Congresses from reporting the bill—if the objection was valid as to that it is certainly valid as to Idaho, concerning which we have no official information, and it certainly is not arid all over the State.

Mr. RAKER. If the gentleman will yield, the provision of the bill requires the land to be arid, unreserved, unappropriated, nonmineral, and nontimbered.

Mr. MANN of Illinois. I understand that; that was the provision of the bill that the Department of the Interior objected to; it is precisely the same thing.

Mr. RAKER. I want to say, with all due respect to the Department of the Interior, that they are not quite as familiar with the State of California as I am. There are many tracts of land on the eastern slope of the Sierra Nevada—

Mr. MANN of Illinois. The gentleman from California adopted the suggestion of the Interior Department.

Mr. RAKER. I had to.

Mr. MANN of Illinois. The gentleman thought he could not get his bill passed without it. If that is the case as to California, it is equally the case with Idaho.

Mr. RAKER. I am speaking particularly as to California. There are large tracts of land on the east side of the Sierra Nevada Mountains where this bill will work to the advantage—

Mr. MANN of Illinois. Where the gentleman hopes it may work to the advantage. It never has worked anywhere else to advantage.

Mr. RAKER. It has worked to advantage in Nevada.

Mr. MANN of Illinois. We passed the law as to Nevada a long time ago. Have they ever discovered water or dug a well there?

Mr. RAKER. Yes.

Mr. MANN of Illinois. I would like to know where it was.

Mr. SMITH of Idaho. I wish to ask the gentleman from Illinois what objection there can be to a private individual expending his own money to discover artesian water in suffi-

cient quantity to reclaim 20 acres, and if he succeeds, securing title to 640 acres of the land surrounding the well.

Mr. MANN of Illinois. There may be many objections. That was all well considered when the law was passed. I am willing to go into that again, but the gentleman knows that individuals or corporations ought not to have the exclusive right to water anywhere.

Mr. RAKER. These are places where they may have to go 1,000 or 5,000 feet before reaching water.

Mr. MANN of Illinois. They may have to, and they may not have to go 5 feet.

Mr. SMITH of Idaho. May I make a statement? I live in the extreme southern end of Idaho, which is the arid section. There is a company being organized in my home town to raise \$35,000 to dig a well south about 10 miles from Twin Falls, near the mountains, with the hope that they may discover artesian water. The money is being raised among the citizens of the town in order to determine whether there is any artesian water in that section.

Now, under the provisions of this law it authorizes private citizens or a corporation to dig a well, which, according to the experience in that section of those who have been sinking wells, must be sunk at least 1,000 feet, and costing five, six, or even seven thousand dollars to determine whether or not water can be found. If it is found, it seems to me that the individual or company that has expended that money should get title to 640 acres of land. That is the whole provision in this bill. I do not see that any objection should be made to it. I see no more objection to permitting private citizens to expend their own money to find water on the public lands any more than for them to explore in search of minerals.

Mr. CHINDBLOM. Will the gentleman yield? I wonder whether the gentleman from Illinois has given attention to section 8. If this is an act only to permit the search for water in arid lands, why all these provisions in section 8 with reference to the requirements of coal, minerals, and so forth?

Mr. SMITH of Idaho. There is a reservation to the Government of minerals that may be discovered.

Mr. CHINDBLOM. There is more than that; there is a section a page long reciting the method by which coal and mineral deposits may be reserved and rights obtained. It is not an act for regulating such rights.

Mr. SMITH of Idaho. Has the gentleman noticed the reservation on page 7?

Mr. CHINDBLOM. Yes; all patents issued are subject to the provisions of this act. Why go ahead in this act and describe the provisions under which patents may be issued.

Mr. SMITH of Idaho. That is in accord with the present law.

Mr. RAKER. The mineral rights are reserved to the Federal Government.

Mr. CHINDBLOM. I am not familiar with the other acts in force. If there are other acts, why not refer to them without reciting the conditions under which coal and mineral rights may be obtained?

Mr. RAKER. This is a better course of legislation; it reserves the right of all minerals to the Government, and no man discovering water can get the mineral rights.

Mr. MANN of Illinois. I understood the gentleman from Idaho to say that a man could only secure 160 acres.

Mr. SMITH of Idaho. Two thousand five hundred and sixty acres are set aside for exploration, and then he gets a patent to 640 acres if water is found in sufficient quantity to reclaim 20 acres.

The SPEAKER pro tempore (Mr. CAMPBELL of Kansas). Is there objection to the present consideration of the bill?

Mr. MANN of Illinois. Unless the bill can be modified so that it will apply after we get the information to the actual arid land in Idaho, I shall object, and I shall object to the present consideration, anyway. If the gentleman gets the information, I have no objection hereafter to that part of the State being included in a bill of this kind.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent that the bill take its place at the foot of the calendar.

The SPEAKER pro tempore. The gentleman from Idaho asks unanimous consent that the bill go to the foot of the calendar. Is there objection?

Mr. McLAUGHLIN of Michigan. Reserving the right to object, I notice that section 7 of the bill provides that all of the proceeds from the sale shall go into the reclamation fund. I do not know how much money will be realized by these sales, but it seems to me that this provision is in line with the practice of certain bills introduced from committees which prevents money finding its way into the Treasury of the United States as other money of the people finds its way there. It seems to me that

when property of the United States is sold the money ought to go into the Treasury, subject to appropriation by Congress. Until we learn more about this matter I shall object to anything being done under this bill. I object to the request of the gentleman from Idaho, that it retain its place on the calendar.

Mr. RAKER. Mr. Speaker, will the gentleman yield before he makes the objection?

Mr. McLAUGHLIN of Michigan. Certainly.

Mr. RAKER. I want to call the attention of the gentleman to the fact that the present law is that the proceeds of the sale of all public lands shall go into the reclamation fund as provided for in this act, so that there is no distinction.

Mr. McLAUGHLIN of Michigan. Is there a law to the effect that the proceeds of the sale of all public lands shall go into the reclamation fund?

Mr. RAKER. No; but according to the provisions of this section.

Mr. McLAUGHLIN of Michigan. Oh, yes.

Mr. MANN of Illinois. All of it goes into the reclamation fund that is not given directly to the States.

Mr. RAKER. That is what I say, the same as provided for by section 7.

The SPEAKER pro tempore. Objection is made, and the bill will be stricken from the calendar.

Mr. LITTLE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks upon the bill (H. R. 9389) passed to-day.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the bill just objected to may remain on the calendar and go to the foot thereof.

The SPEAKER pro tempore. The gentleman from California asks unanimous consent that the bill to which objection has just been made may go to the foot of the calendar. Is there objection?

Mr. McLAUGHLIN of Michigan. Mr. Speaker, I do not object to that proceeding now.

The SPEAKER pro tempore. The Chair hears no objection, and it is so ordered.

NATIONAL EMPLOYMENT BUREAU.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 544) to provide for the establishment of a national employment bureau in the Department of Labor.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I object to the consideration of the bill.

TRANSPORTATION OF EXPLOSIVES, ETC.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 12161) to amend an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L., p. 1134).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, I would ask the gentleman who has reported the bill to advise us just what these amendments propose to do?

Mr. MERRITT. Mr. Speaker, this bill relates exclusively to amendments to the existing law with reference to the transportation of explosives. This bill is, in fact, suggested by the Interstate Commerce Commission and approved by the carriers and shippers. The amendments are very slight in character, made with the idea of clarifying existing law, also providing for conditions which have arisen during the war. The bill as originally passed in 1909 had to do with explosives, but since the war there have been made a great many dangerous gases and other chemicals which, while they come within the spirit of the law, may perhaps not come within its letter. There are also amendments designed to clarify certain doubts, as, for example, whether a vehicle means a railroad car or not. There are also certain verbal changes to distinguish between f-u-s-e-s, f-u-z-e-s, and f-u-s-e-e-s. The value of this legislation may, perhaps, be understood by one or two simple but striking instances. During the year 1918, Mr. Clark, of the Interstate Commerce Commission, testified there were on the average on the tracks of the United States 50,000 cars loaded with war explosives, and in addition there were 5,000 cars transporting commercial explosives. These regulations were so effective that during that whole year not a single life was lost through these cars, and only about \$30,000 worth of damage done to property. During that same year, however, there were a number of accidents, to a total of 739, due to acids, corrosive liquids, gasoline, alcohol, and charcoal, while the property damage ran

into hundreds of thousands of dollars. I mention that only to show the importance of this legislation.

The only changes in the law are those that I have indicated and also one provision shown on page 1 of the bill, which gives the Interstate Commerce Commission the right to utilize the services of the bureau for the safe transportation of explosives and other dangerous articles, and to avail itself of the advice and assistance of any department, commission, or board of the Government; but provision is made that no official or employee of the United States shall receive any additional compensation for such services, except as now provided by law. There is no new expenditure involved.

Mr. GARD. To what bureau does that refer on page 4?

Mr. MERRITT. That is a bureau which, according to Mr. Clark's testimony, was gotten up by the railway association.

Mr. ESCH. Mr. Speaker, will the gentleman yield?

Mr. MERRITT. Yes.

Mr. ESCH. It is the bureau of explosives of the American Railroad Association, of which Col. Dunn is chairman, and he cooperates with the Interstate Commerce Commission in regard to the enforcement of the existing law.

Mr. MERRITT. There has been very close cooperation between the railways and this commission.

Mr. GARD. The new part of this law is in section 233, and that is a section of regulations rather than a section of prohibitions and penalties. It provides for the formulation of regulations for safe transportation by the Interstate Commerce Commission of certain explosives, including inflammable liquids, solids, and gases and poisonous substances.

Mr. MERRITT. That is all. It amplifies the definition of what may be regulated by the law.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, further reserving the right to object, what I desire information about is particularly this section 233, whether it is thought that the mere passing of the law permitting regulations by the Interstate Commerce Commission is sufficient to carry into effect the very laudable object of the bill.

I should think the object of the bill is for the protection of life and property against explosives carried in interstate commerce, is it not?

Mr. MERRITT. Yes; it is.

Mr. GARD. And there are certain provisions, it seems to me, which are very good. There are some absolute prohibitions in respect to their being transported, and then there is a provision about marking on the outside, and so forth.

Mr. MERRITT. There are prohibitions against carrying them on certain vehicles which are also carrying passengers.

Mr. DEWALT. Will the gentleman permit?

Mr. MERRITT. Yes.

Mr. DEWALT. If the gentleman from Ohio had time and would take an opportunity to refer to the act of 1909, which has specific reference to section 233, he will find that that section of that act provided only as to transportation by land, whereas this act as now proposed covers transportation both by land and by water. The present act under consideration is an application of the act of 1909, but, so far as penalty is concerned and prohibition is concerned, it is not very much different, except in so far as the new act extends the provision of the old act to a great many other articles which were not named in the act of 1909. Now, that is really the scope of the present legislation, as I understand it, and, if I am incorrect, the gentleman from Connecticut no doubt will correct me.

Mr. MERRITT. That is correct, sir.

Mr. GARD. In this amendment here providing for the execution of the previous act in utilizing the services of the bureau the information given by the chairman of the committee is that it is a bureau maintained—

Mr. MERRITT. By the American Railway Association.

Mr. GARD. Well, is there any theory of compensation between the utilization of a privately conducted bureau and the Interstate Commerce Commission?

Mr. MERRITT. No, sir. I may say for the information of the gentleman and the House that these regulations and this United States law has been copied almost exactly in Canada and in England, showing that the regulations and the way they have been carried out met with the approval of these other countries, and they have complimented our commission by copying them.

Mr. DEWALT. In further answer of the gentleman from Ohio, an inspection of the bill under consideration, on page 4, shows that it definitely states:

But no official or employee of the United States shall receive any additional compensation for such service except as now permitted by law.

It does not contemplate any bureau by the Government of the United States, but only the employment of the assistant of the bureau established by the railway association, and no additional compensation is to be allowed. I merely interlarded this—

The SPEAKER pro tempore. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, I would like to ask a little information. I believe I drafted the one on the statute books, but still I have forgotten a great deal about it. I notice it draws a distinction, and I have no doubt a proper one, between f-u-z-e, f-u-s-e, and f-u-s-e-s, and wherever the term f-u-s-e as spelled with an "s" occurred in the bill the committee has stricken it out except in one place.

Mr. MERRITT. Yes, sir.

Mr. MANN of Illinois. That is where it defines the meaning of it. What is the purpose of defining the meaning of fuse when it is not used in the bill any place except in the definition?

Mr. MERRITT. In line 6 of the bill the word as spelled with "z" should be an "s," I think, because when a f-u-s-e becomes detonating it is f-u-z-e.

Mr. MANN of Illinois. I had supposed that the committee intended to put f-u-s-e-s in that line, and I had my copy of the bill marked that an amendment ought to be offered putting the word f-u-s-e-s in there in addition. The present law covers f-u-s-e-s.

Mr. MERRITT. Yes.

Mr. MANN of Illinois. And those are not dangerous explosives. I had supposed that probably that was accidentally left out. The bill as drawn originally—

Mr. MERRITT. I think in line 6 the word "fuze" should be f-u-s-e-s and the second f-u-z-e-s, because if the f-u-s-e is detonating it makes it f-u-z-e. It seems to me to be correct English—no; it would not. In line 6 it provides it shall be lawful to transport—

Mr. MANN of Illinois. Fuzes except detonating fuzes.

Mr. MERRITT. But there is no fuze that is not a detonating fuze, and every fuze is dangerous.

Mr. MANN of Illinois. Well, that language would not make sense.

Mr. MERRITT. No, sir.

Mr. MANN of Illinois. It seems to me that f-u-s-e-s ought to be inserted as an additional clause there.

Mr. MERRITT. I think so. And then "fuzes except detonating" should be stricken out.

Mr. ESCH. If the gentleman will permit, if the gentleman will notice, the report in the letter sent to us by Chairman Clark has this suggestion in reference to an amendment. "Line 6, page 2, change 'fuses' to 'fuzes' and insert immediately following that word 'fuses.'" That would carry out the suggestion.

Mr. MANN of Illinois. That is the proposition I have here in my bill. I was going to say I recall—of course, it is impossible to recall very definitely about a matter of this sort—that when we engaged in preparing the original bill, and most of it I have forgotten, I did not understand that fuses were dangerous.

Mr. MERRITT. No, sir; I think they should be in the bill—"fuses."

Mr. MANN of Illinois. Now, I notice that you provide that notice to the carrier shall be in writing.

Mr. MERRITT. Where is that?

Mr. MANN of Illinois. On page 5, line 13.

The present law, I think, provides that the agent of the carrier shall be informed as to the true character of the article. You provide that it shall be in writing. That may be necessary; I do not know. But, of course, notice of this sort, if it is to be in actual writing, is one thing, and if it is to be a printed notice, then it is another thing.

Mr. ESCH. That form of giving notice would probably be subject to regulation. The trouble has been in several cases that have come up before the commission was that there was doubt whether the notice had been given orally. The purpose of the amendment is to have a record made of the matter in writing. The only thing required would be that the notice should be entered in writing on the bill of lading.

Mr. MERRITT. It would be hard to prove a case if the shipper's statement was not in writing. The bill merely calls for a truthful statement in the bill of lading.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. This is a House Calendar bill. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That sections 232, 233, 234, 235, and 236 of the act to codify, revise, and amend the penal laws of the United States, approved March 4, 1909, be amended to read, respectively, as follows:

"Sec. 232. It shall be unlawful to transport, carry, or convey within the limits of the jurisdiction of the United States any high explosive, such as and including dynamite, blasting caps, detonating fuses, black powder, gunpowder, or other like explosive, on any vessel, car, or vehicle of any description operated in the transportation of passengers by a common carrier engaged in interstate or foreign commerce, which vessel, car, or vehicle is carrying passengers for hire: *Provided*, That it shall be lawful to transport on any such vessel, car, or vehicle smokeless powder, primers, fuses, except detonating fuses, fireworks, or other similar explosives, and properly packed and marked samples of explosives for laboratory examination, not exceeding a net weight of one-half pound each, and not exceeding 20 samples at one time in a single vessel, car, or vehicle; but such explosives shall not be carried in that part of a vessel, car, or vehicle which is being used for the transportation of passengers for hire: *Provided further*, That it shall be lawful to transport on any such vessel, car, or vehicle small-arms ammunition in any quantity, and such fuses, torpedoes, rockets, or other signal devices as may be essential to promote safety in operation: *And provided further*, That nothing in this section shall be construed to prevent the transportation of military or naval forces with their accompanying munitions of war on passenger-equipment vessels, cars, or vehicles.

"The words 'detonating fuses' as used in this section shall be interpreted to mean fuses used in naval or military service to detonate the high explosive bursting charges of projectiles, mines, bombs, or torpedoes. The word 'fuses' as used herein shall be interpreted to mean devices used in igniting the bursting charges of projectiles. The word 'primers' as used herein shall be interpreted to mean devices used in igniting the propelling powder charges of ammunition. The word 'fuses' as used herein shall be interpreted to mean the slow-burning fuses used commercially and intended to convey fire to an explosive or combustible mass slowly or without danger to the person lighting. The word 'fuses' as used herein shall be interpreted to mean the fuses ordinarily used on steamboats and railroads as night signals.

"Sec. 233. The Interstate Commerce Commission shall formulate regulations for the safe transportation within the limits of the jurisdiction of the United States of explosives and other dangerous articles, including inflammable liquids, inflammable solids, oxidizing materials, corrosive liquids, compressed gases, and poisonous substances, which shall be binding upon all common carriers engaged in interstate or foreign commerce which transport explosives or other dangerous articles by land or water, and upon all shippers making shipments of explosives or other dangerous articles via any common carrier engaged in interstate or foreign commerce by land or water. Said commission, of its own motion, or upon application made by any interested party, may make changes or modifications in such regulations, made desirable by new information or altered conditions. Such regulations shall be in accord with the best-known practicable means for securing safety in transit, covering the packing, marking, loading, handling while in transit, and the precautions necessary to determine whether the material when offered is in proper condition to transport. Such regulations, as well as all changes or modifications thereof, shall, unless a shorter time is authorized by the commission, take effect 90 days after their formulation and publication by said commission and shall be in effect until reversed, set aside, or modified.

"Sec. 234. It shall be unlawful to transport, carry, or convey within the limits of the jurisdiction of the United States, liquid nitroglycerin, fulminate in bulk in dry condition, or other like explosive, on any vessel, car, or vehicle of any description operated in the transportation of passengers or property by land or water by a common carrier engaged in interstate or foreign commerce.

"Sec. 235. Every package containing explosives or other dangerous articles when presented to a common carrier for shipment shall have plainly marked on the outside thereof the contents thereof; and it shall be unlawful for any person to deliver, or cause to be delivered, to any common carrier engaged in interstate or foreign commerce by land or water, or to carry upon any vessel, car, or vehicle operated by any common carrier engaged in interstate or foreign commerce by land or water any explosive, or other dangerous article, as specified in section 233 of this act, under any false or deceptive marking, description, invoice, shipping order, or other declaration, or without informing the agent of such carrier in writing of the true character thereof, at or before the time such delivery or carriage is made. Whoever shall knowingly violate, or cause to be violated, any provision of this section, or of the three sections last preceding, or any regulation made by the Interstate Commerce Commission in pursuance thereof, shall be fined not more than \$2,000 or imprisoned not more than 18 months, or both.

"Sec. 236. When the death or bodily injury of any person is caused by the explosion or escape of any article named in the four sections last preceding, while the same is being carried or placed upon any vessel, car, or vehicle to be transported in violation thereof, or while the same is being so carried or transported, or while the same is being removed from such vessel, car, or vehicle, the person knowingly carrying, placing, or aiding or permitting the carrying or placing of such articles upon any such vessel, car, or vehicle, to be so carried or transported, shall be imprisoned not more than 10 years."

With committee amendments as follows:

Page 1, line 10, after the word "detonating," strike out the word "fuses" and insert the word "fuzes."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

Mr. MANN of Illinois. I want to ask the gentleman from Connecticut a question. Under the existing law permission is granted to carry small-arms ammunition in any quantity?

Mr. MERRITT. Yes. That is in this bill, too.

Mr. MANN of Illinois. It may be, but it is not where it is in the existing law.

Mr. MERRITT. It is on lines 13 to 17 on page 2.

Mr. MANN of Illinois. All right.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 5, after the word "primers"—

Mr. MERRITT. Mr. Speaker, the committee desires to change that amendment in the interest of clarity.

Mr. MANN of Illinois. Do you want to do so at that place?

Mr. MERRITT. Yes. The word "fuses" in the original bill should remain at the end of line 5. Strike out in line 6 the word "except" and insert the words "but not," and strike out the word "fuses" and insert the word "fuzes," so that it will read:

That it shall be lawful to transport on any such vessel, car, or vehicle smokeless powder, primers, fuses, but not detonating fuzes.

The SPEAKER pro tempore. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MERRITT: Page 2, line 6, strike out the word "except" and insert "but not."

Mr. MANN of Illinois. Mr. Speaker, I take it that the present language, including the amendment, which says "fuses, except detonating fuzes," would confuse the exception there; but "detonating fuzes" and the language following that, "fireworks, and other similar explosives," would be subject to transportation.

Mr. MERRITT. I guess that is true.

Mr. MANN of Illinois. I think so. Of course, that is somewhat a matter of construction.

Mr. MERRITT. Yes.

Mr. MANN of Illinois. But when you say "fuses, except detonating fuzes," the exception is probably applicable to the "fuzes" already mentioned, whereas if you change it and put in another description entirely and follow that with the word "but," it would cover everything following.

Mr. MERRITT. I think the gentleman is correct. The difficulty I was trying to avoid was—

Mr. MANN of Illinois. I understand the difficulty. I do not see why you do not leave it the way it is, and leave "fuses" where it is in line 5, and then insert "fuzes."

Mr. MERRITT. Would it not make it perfectly clear to say "fuses, except detonating fuses, herein called 'fuzes,'" in brackets?

Mr. MANN of Illinois. That would cover it, but that would be awkward.

Mr. MERRITT. It is pretty difficult, where the difference is simply a matter of spelling, to make it clear.

Mr. MANN of Illinois. You can say "fuses and fuzes, except detonating fuzes." Or you can put "fuses" in line 6, after the second word "fuzes."

Mr. MERRITT. Yes; that would do. But it is awkward any way you put it.

Mr. MANN of Illinois. No; that would not be awkward.

Mr. MERRITT. The way the gentleman proposes would be "primers, fuses, except detonating fuses"?

Mr. MANN of Illinois. No; "primers, fuses, fuzes except detonating fuzes, fireworks, or other similar explosives."

Mr. MERRITT. That is the way the committee amendments read.

Mr. MANN of Illinois. No; you have stricken out "fuses" entirely.

Mr. MERRITT. The difficulty is that it has been testified that every "fuzes" is dangerous and should not be transported. Every "fuzes" is a dangerous fuzes.

Mr. MANN of Illinois. It is easy enough, if that is what you want to do, to say "fuses, not including fuzes."

Mr. MERRITT. That is all right, but I had suggested the word "not." The words "not including" would suit better. I suggest changing "not" to "not including." Mr. Speaker, will the Clerk please read it as he has it now?

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

In line 6, strike out the word "except" and insert "not including" in lieu thereof.

The SPEAKER pro tempore. The gentleman from Connecticut offers an amendment to the committee amendment. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the committee amendment as amended. The Clerk will report the committee amendment as amended.

The Clerk read as follows:

Page 2, line 5, strike out after the word "primers" the word "fuses" and insert "fuzes," and in line 6, after the word "detonating," strike out the word "fuses" and insert "fuzes."

Mr. MERRITT. That is not correct. That is the way it was originally reported. The word "fuses" in line 5 is not stricken out.

The SPEAKER pro tempore. The Chair will suggest the voting down of the amendment in line 5. That will accomplish the purpose.

Mr. MANN of Illinois. That can be done.

The SPEAKER pro tempore. The question is on agreeing to the amendment in line 5.

The question being taken, the amendment was rejected.

The SPEAKER pro tempore. The question recurs on agreeing to the amendment in line 6 as amended.

Mr. CHINDBLOM. What is that amendment?

The SPEAKER pro tempore. The next amendment is to strike out the word "fuses" and insert the word "fuzes."

The question being taken, the amendment was agreed to.

Mr. MANN of Illinois. Now we ought to strike out the word "except" in line 6.

Mr. MERRITT. Yes.

Mr. MANN of Illinois. And insert—

Mr. MERRITT. "Not including."

Mr. MANN of Illinois. "Not including" might cover it.

The SPEAKER pro tempore. There was an amendment to the amendment.

Mr. MERRITT. That was adopted, was it not?

The SPEAKER pro tempore. The Clerk will report the amendment as it will read.

The Clerk read as follows:

That it shall be unlawful to transport on any such vessel, car, or vehicle, smokeless powder, primers, fuses, not including detonating fuzes.

Mr. MERRITT. That is right.

The SPEAKER pro tempore. That has been agreed to. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 15, after the word "such," strike out "fuses" and insert in lieu thereof "fuzes."

Mr. MANN of Illinois. I ask unanimous consent that all the committee amendments may be reported at once.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that all the committee amendments may be reported at once. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the remaining committee amendments.

The Clerk read as follows:

Page 2, line 22, after the word "detonating," strike out "fuses" and insert "fuzes."

In line 23 strike out "fuses" and insert "fuzes."

Page 4, line 11, after the word "modified," insert: "In the execution of the provisions of this act the Interstate Commerce Commission may utilize the services of the bureau for the safe transportation of explosives and other dangerous articles, and may avail itself of the advice and assistance of any department, commission, or board of the Government, but no official or employee of the United States shall receive any additional compensation for for such service except as now permitted by law."

Mr. MERRITT. Mr. Speaker, a clerical error. In line 18 the word "for" is repeated. I move to strike out the word "for" where it occurs in line 17.

The Clerk read as follows:

Page 4, line 17, at the end of the line, strike out the word "for."

The amendment was agreed to.

Mr. MERRITT. I move that all the committee amendments be agreed to.

The SPEAKER pro tempore. The question is on agreeing to the committee amendments just read.

The committee amendments were agreed to.

Mr. MERRITT. I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I crave the indulgence of the House to call attention to a very important matter, important to a very large part of the country. The last census shows that about 39 per cent of the population of the United States are farmers. Every farmer in order to be successful must raise a few head of cattle. We are going to be called upon either Wednesday or Thursday to vote upon a measure which places an increased duty on wheat flour and a duty on wheat, and at the same time leaves frozen beef and hides and oil cake on the free list, to come into the United States absolutely free. I want to call the attention of the House to the fact that during the last fiscal year there was shipped into the United States absolutely free of duty 42,436,333 pounds of frozen beef and veal, 439,461,092 pounds of cowhides, 68,359,825 pounds of calf hides, and 145,026,652 pounds of oil cake.

During the four months of July, August, September, and October of the present fiscal year (1920) there were shipped into the United States absolutely free of duty 19,456,961 pounds of frozen beef and veal, 80,023,347 pounds of cowhides, 10,782,491 pounds of calf hides, and 128,615,571 pounds of oil cake.

In South American countries, where they have little more than a third of our population, they now have over 80,000,000 head of cattle and raise over 32,000,000 head of cattle a year, while in the United States where we have a population of 105,000,000 we now have only a little more than 75,000,000 head of cattle, and we annually raise less than 30,000,000 head a year.

Mr. DOWELL. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DOWELL. Does the gentleman appreciate the fact that they are on the free list in all the Democratic tariff laws?

Mr. BLANTON. Yes, Mr. Speaker; and I want to call attention to the fact that it is the biggest mistake the Democratic Party ever made to starve both the farmers and the cattlemen of the country who raise the food and clothing with which the 105,000,000 people are kept alive.

Mr. DOWELL. I am glad to have that statement from the gentleman from Texas.

Mr. BLANTON. I want to ask my Democratic friends and my Republican friends, who claim to be logical, what kind of logic is it that puts wheat flour on the dutiable list, which puts a high tariff on the bread of the country, and thus protects the wheat grower, but which at the same time lets nearly 50,000,000 pounds of frozen beef and over 500,000,000 pounds of cattle hides come into the country free every year, with absolutely no duty? I want to say this, my friends, you who represent the great city consumers of the country: You imagine you are appealing to them, you imagine you are catering to the interests of the great consuming city districts of this country in offering them cheap beef at the expense of the cattle raisers of this country. I want to tell you that during the last 90 days there has been more cattlemen bankrupted in this country than ever before in the whole history of the United States Government. If you bankrupt many more cattle raisers in this country, you are going to put them out of business. They are going to stop raising cattle when they find out that they have to compete with the South American tropical countries, where they have an abundance of grass and water the whole year around, where they do not have to feed the cattle, where they have labor at a very cheap price, and where they can raise beef at one-fifth of what it costs the American producer; you are going to learn that when the American cattlemen find out that the Republican Congress is going to forget their interests and compel them to compete with the South American products, where some of the biggest packeries in the world exist, they are going to quit raising beef and your city consumers are going to have to depend on the South American product with the price that the packers want to put on it, when they can tell you to your face that you crippled and killed the cattle industry in the United States, and they will make you pay for it.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BLANTON. Give me two minutes more.

Mr. MONDELL. The gentleman will have lots of time on Wednesday.

Mr. MERRITT. I will yield to the gentleman two minutes more.

Mr. BLANTON. I want to tell my good friend from Wyoming that we will have a chance to discuss this question Wednesday, provided he and my good friend from Kansas, who now presides over the House [Mr. CAMPBELL], see fit to let us do so. If they see fit to let us discuss the question, we will have a chance, but without a special rule from the Committee on Rules making in order such amendments, there will be no chance whatever to have considered any amendments seeking to place a duty on frozen beef, hides, and oil cake, as tariff bills without a rule are amendable only as to rates. It is the big packers of the country that have kept frozen beef and hides out of this bill, and you can not get around it. It is a gold brick for the cattle raisers.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. MERRITT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MERRITT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. CRAGO. Mr. Speaker, I desire to make a request for unanimous consent. I was out of the House when the bill H. R. 5815 was reached in its regular order, and I take it that Mr. JUVL, the gentleman from Illinois, was also out. I was attending to some departmental measures. I ask unanimous consent that notwithstanding the action of the House the bill retain its place on the calendar.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent that the bill referred to retain its place on the calendar.

Mr. GARD. That has already been done.

The SPEAKER pro tempore. The Chair will say that the bill went to the foot of the calendar.

Mr. MANN of Illinois. In accordance with the rule, it went to the foot of the calendar.

Mr. CRAGO. I ask, Mr. Speaker, that it retain its place on the calendar.

Mr. MANN of Illinois. I do not think we ought to make a precedent by departing from the rule that where a bill has been called up and goes over it goes to the foot of the calendar. It was because neither of the gentlemen was here that we did not strike it from the calendar entirely.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent that the bill retain its place on the calendar. Is there objection?

Mr. MANN of Illinois. I shall have to object.

DISPENSING WITH BUSINESS ON CALENDAR WEDNESDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to dispense with the business on next Calendar Wednesday. I make the request in order that we may consider a measure reported by the Committee on Ways and Means.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that the business in order on next Calendar Wednesday may be dispensed with. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to know whether or not the gentleman from Wyoming [Mr. MONDELL] can assure us we are going to have ample time to discuss the merits of the bill?

Mr. MONDELL. I think there will be no question about granting opportunity to discuss the bill. I hope there will be.

The SPEAKER. Is there objection?

Mr. GARRETT. Mr. Speaker, reserving the right to object, has the gentleman from Wyoming conferred with the gentleman from Missouri [Mr. CLARK] with reference to this request?

Mr. MONDELL. I have not, but my understanding is that the minority members on the Ways and Means Committee have talked it over—that is, all of the members have—and I assume that the minority members of the committee have talked it over with the gentleman from Missouri. My understanding is that it is entirely agreeable to all the members of the committee.

Mr. GARRETT. I hope the gentleman will defer his request for a little time.

Mr. MONDELL. I shall be very glad to, if the gentleman desires.

Mr. GARD. Will not the gentleman defer his request until, say, to-morrow morning, when those interested in the matter can be here?

Mr. MONDELL. I think it is rather important to settle the matter, if we can, this evening.

Mr. MANN of Illinois. It is a matter of convenience to all of the Members of the House to know.

Mr. MONDELL. Members on both sides are coming to me constantly and asking when the matter is coming up. They would like to know whether it is coming up Wednesday or Thursday, and out of deference to those requests I have made the request to dispense with Calendar Wednesday business.

Mr. DEWALT. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. DEWALT. If the gentleman insists upon pressing his request at this time and does not accede to what I deem to be the reasonable request of the gentleman from Ohio [Mr. GARD], I shall object.

Mr. MONDELL. I feel that it is proper that I should accede to the request of the gentleman from Tennessee [Mr. GARRETT] and call the matter up later this evening, but I hope the gentleman from Ohio will be agreeable to having the matter settled some time this afternoon.

Mr. DEWALT. I should request that the gentleman from Wyoming [Mr. MONDELL], the leader of the Republican side, accede to the request of the gentleman from Ohio [Mr. GARD], and if he does not, then I shall object.

Mr. MONDELL. All that I can promise is that the matter will not be called up until later in the afternoon.

Mr. DEWALT. Then, I object.

Mr. MONDELL. Of course, the gentleman can object at any time.

The SPEAKER. The Clerk will report the next bill on the Calendar for Unanimous Consent.

MARINE HOSPITAL SERVICE.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 11841) to amend "An act granting additional

quarantine powers and imposing additional duties upon the Marine Hospital Service," approved February 15, 1893.

Mr. ESCH. Mr. Speaker, I ask unanimous consent that this bill go to the foot of the calendar.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, I would ask some gentleman on the Committee on Interstate and Foreign Commerce, which reported this bill, if the existing law has been examined?

Mr. ESCH. Yes; an amendment is necessary showing that this is an amendment of the first paragraph of section 2 of the act of 1893.

The SPEAKER. Is there objection?

There was no objection.

LOW GROUNDS OF WASHINGTON, D. C.

The next bill on the Calendar for Unanimous Consent was the bill (H. R. 12045) to provide for the conveyance of lots on the low grounds of Washington, D. C.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in carrying into effect the provisions of the act of July 1, 1879, entitled "An act to provide for the conveyance of the low grounds in the city of Washington," under the provisions of the act of Congress approved May 7, 1822 (21 Stats., 47), the Secretary of the Interior be, and he hereby is, authorized at his discretion to execute and deliver the deeds therein provided for without proof of compliance with the building conditions under which the lands were sold, upon a satisfactory showing of inability to supply such evidence.

Mr. MANN of Illinois. Mr. Speaker, my attention was diverted when the question of objection to this bill was put. I think the bill never has been considered by anybody in respect to its form. It did not properly belong to the Committee on the Public Lands, but probably would not have received any different consideration if it had gone elsewhere. I would ask some gentleman where we will find the Twenty-first Statutes, page 47, covering an act approved May 7, 1822? "There ain't no such thing."

Mr. COADY. Mr. Speaker, I would say to the gentleman that that may be a typographical error. I remember at the time the committee of which the gentleman from Oregon [Mr. SINNOTT] is chairman considered it, that he got out the statute and read it, and that it is exactly as set forth in this report.

Mr. MANN of Illinois. I do not know. I said "There ain't no such thing." When this bill came up I sent to the Library of Congress for these statutes, and after the boys up there had puzzled their brains for several days, they said they could not find anything of the kind. I then sent to the library of the Supreme Court. They said they could not find anything of that kind. Then I sent to the Congressional Library, and they said they could not find anything of the kind. Then I wrote to the Secretary of the Interior and asked him, and he apparently says that the citation is correct. It may be. Nobody can produce the book. The letter says:

You inquire whether the citation therein of the Twenty-first Statutes, page 47, is correct. In response thereto you are advised that the citation in question is correct, as referred to the statute and the page on which the act of July 1, 1879, can be found.

House bill 12045 should be amended, in line 5, after the word "Washington," by eliminating the quotation marks and adding the same after the figures "1822" in line 6, so that as amended it should read: "An act to provide for the conveyance of the low grounds in the city of Washington under the provisions of the act of Congress approved May 7, 1822."

While the Secretary of the Interior says the citation is correct, I repeat, "There ain't no such thing." At least they could not find it in the Congressional Library, nor in the library of the Supreme Court, nor of the House of Representatives. I do not care whether it is passed or not, although I suggest to the gentleman that perhaps he would better offer the amendment suggested by the Secretary of the Interior. Perhaps that will help find something. It is proposed here to enact legislation to clear title. The first thing we run across is something that shows that we do not know anything about what it means, because it makes reference to things that do not exist.

Mr. SMITH of Idaho. This statement is from the letter of the Secretary of the Interior who, according to the gentleman's own statement a little while ago, is authority on everything pertaining to the public lands, and unless he recommends legislation it should not be enacted.

Mr. MANN of Illinois. The gentleman from Idaho is seeking to be facetious, but his strongest point is in being serious. The gentleman is not happy in trying to be facetious.

Mr. SMITH of Idaho. The gentleman used the Secretary of the Interior as authority on a bill we were considering a moment ago and now in this bill he is trying to discredit him.

Mr. MANN of Illinois. I did not take the authority of the Secretary of the Interior in the bill we had a moment ago.

However, that has nothing to do with this case. I took the action of a committee which, because of the recommendation of the Secretary of the Interior, had refused three times to report a proposition without consideration, and then because the gentleman from Idaho is on the committee they agree to an amendment which he proposes without consideration.

Mr. SMITH of Idaho. Mr. Speaker, the letter just read by the gentleman from Illinois [Mr. MANN] suggests an amendment to change the quotation in line 5, after the word "Washington," to the end of line 6, after the "1822," and the amendment is accepted by the committee.

The SPEAKER. Does the gentleman offer that as an amendment?

Mr. SMITH of Idaho. I do.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

In line 5, after the word "Washington," strike out the quotation marks and, in line 6, after the figures "1822," insert quotation marks.

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

CANCELLATION OF A SEGREGATION OF PUBLIC LANDS UNDER THE CAREY ACT.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 2188) to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901 (31 Stat. L., p. 1133).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, will the gentleman advise the Members of the necessity of the bill that is now under consideration?

Mr. SMITH of Idaho. What is the gentleman's inquiry?

Mr. GARD. I want to know what the bill is about and the necessity for its being passed.

Mr. SMITH of Idaho. What does the gentleman wish to ascertain about the bill?

Mr. GARD. Anything; any information about it.

Mr. SMITH of Idaho. Well, this bill is to amend what is known as the Carey Act, which was enacted in 1894, providing that on application of the State certain public lands which could be irrigated were segregated for that purpose. The law provided the term of 10 years within which the land might be reclaimed, and under that general law it often occurred that land which had been segregated on the application of a State was held for a number of years without any work whatever being undertaken on the project. This bill simply limits the time to three years, and provides that if the work is not undertaken in three years, the segregation shall be canceled.

Mr. GARD. Does the bill provide for the restoration of the land to the public domain?

Mr. SMITH of Idaho. Yes; the segregation would be canceled and the land immediately restored to the public domain on request of the State, or application might be entertained to have it again segregated in order that some other company or individual might reclaim it.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That section 3 of the act of Congress approved March 3, 1901 (31 Stat. L., p. 1133), be, and the same is hereby, amended to read as follows:

"SEC. 3. That section 4 of the act of August 18, 1894, entitled 'An act making appropriation for sundry civil expenses of the Government for the fiscal year ending June 30, 1895, and for other purposes,' be, and the same is hereby, amended so that the 10-year period within which any State shall cause the lands applied for under said act to be irrigated and reclaimed, as provided in said section, as amended by the act of June 11, 1896, shall begin to run from the date of approval by the Secretary of the Interior of the State's application for the segregation of such lands; and if actual construction of reclamation works is not begun within three years after the segregation of the lands or within such further period as shall be allowed by the Secretary of the Interior, the said Secretary of the Interior, in his discretion, may restore such lands to the public domain; and if the State fails, within 10 years from the date of such segregation, to cause the whole or any part of the lands so segregated to be so irrigated and reclaimed, the Secretary of the Interior may, in his discretion, continue said segregation for a period not exceeding five years, or may, in his discretion, restore such lands to the public domain upon the expiration of the 10-year period or of any extension thereof."

The committee amendments were read, as follows:

On page 2, line 10, after the word "period" insert, "not exceeding three years." In line 18, after the word "lands" insert, "not irrigated and reclaimed."

The question was taken, and the amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

CONSOLIDATION OF LANDS IN THE NATIONAL FORESTS OF SOUTH DAKOTA.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 11118) authorizing the consolidation of lands in the national forests in the State of South Dakota.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SINNOTT. Mr. Speaker, in the absence of the gentleman from South Dakota at present I ask unanimous consent that this bill be passed without prejudice.

The SPEAKER. Is there objection?

Mr. GARD. The understanding is that it goes to the foot of the calendar?

The SPEAKER. It goes to the foot of the calendar. Is there objection? [After a pause.] The Chair hears none.

ROOSEVELT NATIONAL PARK.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 5006) to add certain lands to the Sequoia National Park, Calif., and to change the name of said park to Roosevelt National Park.

The Clerk read the title of the bill.

Mr. ELSTON. Mr. Speaker, I ask unanimous consent that this bill be passed without prejudice to the foot of the calendar.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

DISPOSITION OF ABANDONED PORTIONS OF RIGHTS OF WAY GRANTED TO RAILROAD COMPANIES.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 9899) to provide for the disposition of abandoned portions of rights of way granted to railroad companies.

The Clerk read the title of the bill.

Mr. SINNOTT. Mr. Speaker, for the same reason, on account of the absence of the gentleman who is the author and who reported the bill, I ask that this bill be passed without prejudice.

The SPEAKER. Without objection this bill will go to the foot of the calendar. [After a pause.] The Chair hears no objection.

VALIDATING CERTAIN APPLICATIONS FOR AND ENTRIES OF PUBLIC LANDS.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 3994) validating certain applications for and entries of public lands, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, I think I will not object to this, although it is plainly a Private Calendar bill.

Mr. SMITH of Idaho. It is a long bill.

The SPEAKER. Is there objection?

Mr. GARD. Mr. Speaker, this seems to be a bill containing a number of private claims.

Mr. SMITH of Idaho. No; they should not be considered as private claims. Every bill is a bill to perfect title to public lands in a number of individual cases. It is legislation that was suggested by the Secretary of the Interior, and to which have been added some bills which have either passed the Senate or are already on the House Calendar. There is no item included in this bill that has not been recommended by the Secretary of the Interior in order to perfect titles to public lands.

Mr. GARD. This is a rather extensive bill to pass by unanimous consent, and I object.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent that the bill hold its place on the calendar, because we must get it through this session, or otherwise a greater hardship will be worked upon these people whose relief is sought here.

The SPEAKER. The gentleman from Idaho asks unanimous consent that the bill go to the foot of the calendar. Is there objection?

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent that the bill hold its place on the calendar; not at the foot of the calendar, but that it be passed over without prejudice; not to go to the foot of the calendar.

The SPEAKER. When that request is made on an objection of a Member to the consideration of a bill the bill goes to the foot of the calendar. The gentleman from Idaho asks unanimous consent that it hold its place on the calendar. Is there objection?

Mr. GARD. I think we ought to follow the regular practice. I object.

The SPEAKER. The gentleman from Ohio objects. The Clerk will report the next bill.

MONTHLY PAYMENT OF PENSIONS.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 7539) to provide for monthly payment of pensions, and for other purposes.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. HUSTED. Reserving the right to object, Mr. Speaker, this is a very important bill, which will involve an additional expenditure of a large amount of money to execute its provisions. I think it should come up in the regular way. I therefore object.

The SPEAKER. Objection is made. The Clerk will report the next bill.

COPPER HARBOR RANGE LIGHTHOUSE RESERVATION, MICH.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 14122) to authorize the sale of a portion of the Copper Harbor Range Lighthouse Reservation, Mich., to Houghton and Keweenaw Counties, Mich.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Commerce for and on behalf of the United States is hereby authorized and directed, in his discretion, to sell and convey to Houghton and Keweenaw Counties, in the State of Michigan, for the sum of \$2,000, that certain piece or parcel of the Copper Harbor Range Lighthouse Reservation, Mich., with the improvements thereon, which is that portion of lot 2, section 33, township 59 north, range 28 west, Michigan, lying east of the creek that drains Lake Fanny Hooe, and on which portion is located Fort Wilkins (abandoned), no longer required for lighthouse purposes: *Provided*, That said counties shall forever maintain the site and structures thereon as a historic landmark or as a public park; that said counties shall construct and forever maintain a bridge suitable to the Lighthouse Service across the creek from Lake Fanny Hooe in the rear of the rear range light and station buildings; that the road which now passes in front of the said rear range light structures shall be diverted by said counties from the north to the south side of the structures, crossing the creek by the bridge just mentioned; that the portion of the road west of the creek shall be constructed by said counties in accordance with specifications to be furnished by the Lighthouse Service; that the officers and employees of the Government of the United States shall have the right at all times to pass and repass over the said bridge and over the land transferred hereunder, by any route they may select, and to transport all necessary materials thereover; that the maintenance of the site and structures, the construction and maintenance of the bridge, and the diversion of the road, as hereinbefore provided for, shall be without expense to the United States: *Provided further*, That in the event of the discontinuance by said counties of the maintenance of said piece or parcel of land as a historic landmark or as a public park, or of the failure of the said counties to perform any of the terms and conditions preceding, the title to the premises hereunder transferred shall revert to the United States and the \$2,000 paid by said counties shall be retained by the United States in consideration of the provisions hereof.

Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With a committee amendment, as follows:

In line 11, page 3, strike out the figure "2" and insert in lieu thereof the figure "3."

Mr. GARRETT. Mr. Speaker, I would like to call the attention of whoever has charge of the bill to a somewhat peculiar provision in it, as I caught its reading. There is a proviso in there to the effect that the counties shall forever maintain the bridge, and something else provided that it shall be forever maintained as a public park. The only thing I can think of about that is that may occasion some difficulties in the future. Forever is a good long while.

Mr. MANN of Illinois. This is to devote the land to public park purposes.

Mr. GARRETT. If they fail to maintain the bridge as provided in there, what will be the effect? Will this land revert to the Government, or in what legal situation will it be?

Mr. MANN of Illinois. The bill says the title shall revert to the Government.

Mr. GARRETT. That is expressed in the bill?

Mr. MANN of Illinois. That is expressed in the bill. It is provided that "in the event of the discontinuance by said counties of the maintenance of said piece or parcel of land as an historic landmark or as a public park, or of the failure of the said counties to perform any of the terms and conditions preceding, the title to the premises hereinunder transferred shall revert to the United States, and the \$2,000 paid by said counties shall be retained by the United States in consideration of the provisions hereof."

Mr. DEWALT. Further than that, there is a provision in the bill which specifically says it can be altered, amended, or repealed at any time.

Mr. MANN of Illinois. Oh, certainly.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

Mr. CHINDBLOM. Mr. Speaker, I desire to offer an amendment. In line 6, page 1, after the word "of," preceding "\$2,000," I move to insert "not less than," so as to make it read "a sum not less than \$2,000."

The SPEAKER. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

In line 6, page 1, after the word "of," preceding "\$2,000," insert "not less than," so as to make it read "a sum not less than \$2,000."

Mr. CHINDBLOM. Mr. Speaker, this will not prevent the Secretary of Commerce, in his discretion, from accepting the sum of \$2,000, but it will leave it in his discretion. We do not know why the amount of \$2,000 is fixed here. Nobody has stated it. The report of the committee does not state why the sum of \$2,000 is fixed as the compensation to be paid to the Government. Conditions may differ from what they were when this bill was reported and the amount of \$2,000 was agreed to by somebody. I think no harm can be done by leaving it in the discretion of the Secretary of Commerce to accept and receive more than \$2,000 if, in his judgment and in the opinion of those with whom he is dealing, a larger sum might be paid.

I will say now, while I have the floor, that this should be followed by a similar amendment on page 3, line 4, so that the exact amount paid by the counties should be retained, as provided in the latter part of section 1. I dare say that it is very unusual to fix the amount absolutely which the United States may be permitted to accept if it is offered to it.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Illinois [Mr. CHINDBLOM].

Mr. SMITH of Idaho. Mr. Speaker, I doubt whether the gentleman from Illinois understands the construction that is put on the words "not less than" by the Secretary of the Interior. We had the matter up about a year ago, and the Secretary of the Interior decided that when those words were used he construed them as instructions to him to appraise the land and sell it at its appraised value. While I am not familiar with the provisions of this bill, it is a question in my mind whether the object sought to be attained would be defeated by putting in those words "not less than."

Mr. CHINDBLOM. Mr. Speaker, this is not a conveyance in fee. This is a sale and conveyance of the property under certain conditions, and there could not very well be an appraisal of the value of the fee of this land. But I think some discretion should be left with the Secretary of Commerce as to the amount of compensation that is to be given to the United States Government.

Mr. MANN of Illinois. I would suggest to my colleague that very likely that language would require the Secretary of the Interior to appraise the land and sell it to the highest bidder.

The purpose of the bill is to preserve this place as a historic landmark. I am not familiar with the location. Usually we are asked to give title without any compensation at all. If it were out West on the public land the compensation would be fixed at \$1.25 an acre regardless of the value of the ground, and I do not say improperly so fixed. If there is any occasion for having this place maintained as a landmark, probably it would be better to have it done by the State or by the counties than to have it done by the General Government. I do not know what the land may be worth for something else, but if it is desirable to have it for a public park or a landmark I am not sure that it would be desirable to put it up to see who would pay the highest price for it, or even to see whether these people would pay the appraised value. Maybe that is all that would occur.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. CHINDBLOM. The bill says very clearly that the Secretary of Commerce is authorized, in his discretion, to sell this land to Houghton and Keweenaw Counties—not to anybody else—for specific purposes, and the purposes are named.

Mr. MANN of Illinois. Probably it would not give him authority to put it up to the highest bidder.

Mr. CHINDBLOM. Why can we not get some information on a bill of this sort, as to why the sum of \$2,000 is fixed? If anybody will tell me why that has been fixed, I shall be willing to withdraw my amendment; but it appears to me that it is not

right to throw a bill into the House without any information as to why the sum of \$2,000 should be paid for something.

Mr. SMITH of Idaho. May I ask the gentleman why he should be so much interested in getting a larger sum than \$2,000 for the Federal Government, which would impose a tax upon the people living up there?

Mr. CHINDBLOM. Because I happen to be a Representative in the Congress of the United States. I think we have some obligation here to look after the interests of the Federal Government. I am not sitting here in a State legislature.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois [Mr. CHINDBLOM].

The question being taken, the amendment was rejected.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

EMERGENCY TARIFF.

Mr. FORDNEY. Mr. Speaker, I ask unanimous consent that the report of the Committee on Ways and Means and the views of the minority on the emergency tariff bill may be filed at any time before 12 o'clock to-night. We have not yet got the report quite ready, but will have it perhaps within an hour.

Mr. MANN of Illinois. I should like to suggest to the gentleman from Michigan that if he wishes this to be privileged, of course it will have to be presented from the floor. The bill has not been reported yet from the floor. If it is to be taken up under a rule, that probably does not make any difference.

Mr. FORDNEY. I have just introduced the bill, but the report is not ready yet, but will have it within half an hour. I understand the House will adjourn perhaps before that time, and that is the reason I am asking this unanimous consent.

Mr. MANN of Illinois. I was only making the suggestion. If it is to be called up as a privileged report, it will have to be presented in the open House.

Mr. CANNON. We ought to know what is in the bill, and we will not have time to read it.

Mr. FORDNEY. It can be printed to-night.

Mr. CANNON. But I can not read it to-night.

Mr. FORDNEY. It is not proposed to bring it up in the House before Wednesday.

Mr. CANNON. Then why not report it in the morning?

Mr. FORDNEY. I should like to have the report printed along with the bill. That is the only object.

Mr. CANNON. The report can be printed to-morrow in time to call it up Wednesday.

Mr. GARRETT. If consent is given to file a report, it ought to include the views of the minority also.

Mr. FORDNEY. Yes. The gentleman from Illinois [Mr. HENRY T. RAINEY] told me that he will have the minority views ready in a few minutes.

The gentleman from Wyoming [Mr. MONDELL] informs me that I should report the bill now, and then ask unanimous consent to file the report later to-night. I report the bill by direction of the Committee on Ways and Means.

Mr. GARRETT. The gentleman is reporting it, as I understand, as a privileged bill.

Mr. SNELL. He must report it as a privileged bill, or else he will have to have a special rule to call it up.

Mr. FORDNEY. Being a revenue bill, it is privileged.

Mr. CANNON. Why not let the bill and report come together in the morning? I do not believe there is any prospect, is there, of calling up the bill for action before Wednesday or Thursday?

Mr. FORDNEY. Not before Wednesday; we are trying to bring it up and pass it on Wednesday. I would like to have the report printed to-night, so that Members can have it to-morrow.

Mr. MANN of Illinois. I suggest to the gentleman from Michigan that I have seen this modus operandi adopted by both sides of the House: "Mr. Speaker, the Committee on Ways and Means presents the following privileged report," and then ask unanimous consent that both sides have until midnight to file the report and minority views.

Mr. FORDNEY. That was my request.

Mr. CANNON. Has the gentleman introduced his bill?

Mr. FORDNEY. I have; it is given the number 15275.

Mr. DEWALT. The gentleman stated that he had conversation with the gentleman from Illinois [Mr. HENRY T. RAINEY] and that he said that in a few minutes he would have his minority views ready.

Mr. FORDNEY. He said he would have his views ready before the House at adjournment, but I was told by the Speaker that we were liable to adjourn in a few minutes. Therefore I am trying to get the privilege of filing the report and minority views before midnight.

Mr. SNELL. Does the gentleman expect to pass the bill on Wednesday?

Mr. FORDNEY. I would like to.

Mr. SNELL. With how much debate?

Mr. FORDNEY. Not more than three hours. Members of the committee feel that will be ample time to discuss it. It is a very short bill.

Mr. BLANTON. Reserving the right to object, I would like to ask a question. Is this the logical Republican tariff measure that seeks to put a high tariff on bread and yet permits an annual importation of millions of pounds of frozen beef and of hides to continue to come in on the free list?

Mr. FORDNEY. This is a bill introduced as an emergency bill, to try to save some of the industries in the agricultural districts from going into bankruptcy.

Mr. BLANTON. Will there be a chance to amend the bill on the floor?

Mr. FORDNEY. Yes; I think the bill will be considered under the five-minute rule.

Mr. BLANTON. Very well.

TARIFF ON CERTAIN AGRICULTURAL PRODUCTS.

Mr. FORDNEY. Mr. Speaker, I now report the bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes. I ask, Mr. Speaker, unanimous consent to present the report and minority views any time before 12 o'clock to-night.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. McFADDEN. Reserving the right to object, and I do not think I will object, I want to ask the gentleman whether dairy products are included in the bill?

Mr. FORDNEY. No; they are not.

Mr. McFADDEN. Will there be an opportunity to amend it?

Mr. FORDNEY. It is a revenue bill, and it is not subject to amendment except as to rates.

Mr. GARRETT. Mr. Speaker, I see no reason why there should be an objection to the request of the gentleman from Michigan from the minority standpoint, but I would like it stated that the gentleman from Illinois [Mr. HENRY T. RAINEY] shall not be precluded if he should fail to have the minority views ready.

Mr. FORDNEY. I have not seen the gentleman the last few minutes, but he assured me he would have the report by adjournment.

Mr. CAMPBELL of Kansas. If he does not have it ready to-night, he may file it to-morrow?

Mr. FORDNEY. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none.

LEAVE OF ABSENCE.

By unanimous consent, the following leave of absence was granted:

To Mr. NELSON of Wisconsin, indefinitely, on account of illness in his family.

To Mr. STEVENSON, for 10 days, on account of closing up his business affairs and moving his family to the Capital.

ADJOURNMENT.

Mr. MANN of Illinois. Mr. Speaker, I make the point that no quorum is present.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 21, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

252. A letter from the Secretary of Agriculture, transmitting report showing number of publications issued by the Department of Agriculture during the fiscal year 1920; to the Committee on Printing.

253. A letter from the Secretary of the Navy, transmitting draft of requested legislation to recover the value of public property lost by persons in the naval service through abuse or negligence; to the Committee on Naval Affairs.

254. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required by the Department of the Interior for fees and expenses of examining surgeons, pensions, fiscal year 1922 (H. Doc. No. —); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. GRIGSBY, from the Committee on the Territories, to which was referred the bill (S. 2189) to provide for agricultural entries on coal lands in Alaska, reported the same without amendment, accompanied by a report (No. 1138), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. FORDNEY, from the Committee on Ways and Means, to which was referred the bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes, reported the same without amendment, accompanied by a report (No. 1139), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LANGLEY: A bill (H. R. 15271) to authorize the construction of a bridge across the Tug River in Mingo County, W. Va., at or near Cedar, in said county, to the Kentucky side, in Pike County, Ky.; to the Committee on Interstate and Foreign Commerce.

By Mr. WEAVER: A bill (H. R. 15272) making an appropriation to be expended under the provisions of the act of March 1, 1911 (36 Stat., 961); to the Committee on Appropriations.

By Mr. JOHNSON of Washington: A bill (H. R. 15273) authorizing the lease of school lands containing deposits of coal, oil, oil shale, or gas by the State of Washington for longer periods than five years; to the Committee on the Public Lands.

By Mr. MURPHY: A bill (H. R. 15274) providing for the monthly payment of pensions; to the Committee on Invalid Pensions.

By Mr. FORDNEY: A bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. VOLSTEAD: A bill (H. R. 15276) to amend chapter 541 of the Revised Statutes of the United States, passed July 1, 1898, known as the bankruptcy act; to the Committee on the Judiciary.

By Mr. STEVENSON: Joint resolution (H. J. Res. 422) to use alien property funds until same shall be distributed according to law; to the Committee on Interstate and Foreign Commerce.

By Mr. HULL of Tennessee: Joint resolution (H. J. Res. 423) providing for the appointment of a joint select committee to consider and draft legislation to facilitate the exchange and sale of agricultural products between producer and consumer; to the Committee on Rules.

By Mr. MONAHAN of Wisconsin: Resolution (H. Res. 621) authorizing the painting of a full-length portrait of Abraham Lincoln and placing it in the Hall of the House of Representatives; to the Committee on Accounts.

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, favoring the passage of House bill 13500 to establish a Hawaiian homes commission; to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 15277) granting an increase of pension to Sarah M. Beach; to the Committee on Invalid Pensions.

By Mr. BUTLER: A bill (H. R. 15278) granting a pension to Eli W. Elzey; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 15279) granting a pension to Cornelia De Camp Croxton; to the Committee on Pensions.

By Mr. FORDNEY: A bill (H. R. 15280) granting an increase of pension to Floyd L. Green; to the Committee on Pensions.

Also, a bill (H. R. 15281) granting a pension to Lucy E. Porter; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: A bill (H. R. 15282) granting an increase of pension to Catherine Wood; to the Committee on Invalid Pensions.

By Mr. HILL: A bill (H. R. 15283) granting a pension to Josephine Carey; to the Committee on Invalid Pensions.

By Mr. HOWARD: A bill (H. R. 15284) conferring jurisdiction on the Court of Claims to adjust the claims between the Otoe and Missouria Tribes of Indians and the Omaha Indians to certain moneys received by the Omaha Indians; to the Committee on Indian Affairs.

By Mr. KING: A bill (H. R. 15285) granting a pension to Edith Ettinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15286) for the relief of B. I. Bryant; to the Committee on Claims.

By Mr. LANGLEY: A bill (H. R. 15287) granting an increase of pension to Jerry McIntosh; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 15288) granting a pension to Nancy Blitz; to the Committee on Invalid Pensions.

By Mr. RANDALL of California: A bill (H. R. 15289) granting a pension to Charles M. Eddy; to the Committee on Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 15290) granting an increase of pension to Susan A. Bailey; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 15291) granting a pension to John C. Trent; to the Committee on Pensions.

Also, a bill (H. R. 15292) granting a pension to Nancy M. Wagner; to the Committee on Pensions.

Also, a bill (H. R. 15293) granting an increase of pension to Clarence Matchett, alias Harry J. Reed; to the Committee on Pensions.

Also, a bill (H. R. 15294) granting a pension to Charles T. Bowman; to the Committee on Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 15295) for the relief of the heirs of Oliver P. Phillips; to the Committee on War Claims.

By Mr. STINESS: A bill (H. R. 15296) granting a pension to Mary J. White; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 15297) granting a pension to Nannie Roberts; to the Committee on Pensions.

Also, a bill (H. R. 15298) granting a pension to Joseph F. Moore; to the Committee on Pensions.

Also, a bill (H. R. 15299) granting a pension to Nora Meredith; to the Committee on Invalid Pensions.

By Mr. WRIGHT: A bill (H. R. 15300) for the relief of the city of West Point, Ga.; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4631. By the SPEAKER (by request): Petition of the Amalgamated Metal Workers of America, of Philadelphia, Pa., demanding immediate recognition of Russian soviet republic; to the Committee on Foreign Affairs.

4632. Also (by request), petition of the City Council of the City of Chicago, Ill., protesting against the armed invasion of Ireland by Great Britain, etc.; to the Committee on Foreign Affairs.

4633. By Mr. DALLINGER: Petition of the executive committee of the Associated Industries of Massachusetts, favoring reduced expenses for the Government so as to reduce taxation; to the Committee on Ways and Means.

4634. By Mr. EMERSON: Resolutions adopted by the International Farm Congress; to the Committee on Agriculture.

4635. By Mr. FULLER of Illinois: Petition of the Outlook Club, of Rockford, Ill., favoring the Sheppard-Towner maternity bill (H. R. 10925); to the Committee on Interstate and Foreign Commerce.

4636. Also, petition of the J. D. Hollingshead Co., of Chicago, favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4637. Also, petition of the Chicago Railway Equipment Co., of Chicago, Ill., favoring the Patent Office bill; to the Committee on Patents.

4638. By Mr. JOHNSON of Washington: Petition of various citizens of the third congressional district of the State of Washington, favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4639. By Mr. LUCE: Petition of citizens of Newton, Mass., urging amendment of Federal water-power act and defeat of House bill 12466; to the Select Committee on Water Power.

4640. By Mr. MICHENER: Petition of George D. Ball, of Addison, Mich., regarding the League of Nations and offering a substitute therefor; to the Committee on Foreign Affairs.

4641. By Mr. O'CONNELL: Petition of the Travelers' Protective Association of America, of St. Louis, Mo., favoring laws which will require all foreign-born citizens to live in the United States for a period of five years before being entitled to vote; to the Committee on Immigration and Naturalization.

4642. By Mr. ROWAN: Petition of the New York State League of Women Voters, favoring the Rogers bill, providing for independent citizenship for married women, and the Smith-Towner educational bill; to the Committee on Education.

4643. Also, petition of the T. H. Symington Co., of New York, favoring the passage of the Nolan bill, H. R. 11934; to the Committee on Patents.

4644. By Mr. TINKHAM: Petition of sundry citizens of the State of Massachusetts, protesting against the passage of the Smith-Towner bill; to the Committee on Education.

HOUSE OF REPRESENTATIVES.

TUESDAY, December 21, 1920.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Infinite Spirit, Father of all souls, we bless Thee that every child born into this world is stamped with an individuality which differentiates it from every other human being. A marvelous blessing, but a stupendous responsibility. The parents may do much in shaping its course. Education teaches it to think soundly and reach wise conclusions. The Sunday school and church may quicken its conscience, society may develop its social functions, but when all is done it is the architect of its fortune. To live with its Maker, think with its Maker, is to build a character which will stand the test of time and eternity. Through the incomparable life and character of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

BUSINESS IN ORDER ON CALENDAR WEDNESDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that for to-morrow the House dispense with Calendar Wednesday business.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that business in order on Calendar Wednesday, to-morrow, be dispensed with. Is there objection?

Mr. MADDEN. Reserving the right to object, I will ask the gentleman from Wyoming the purpose of dispensing with business in order on Calendar Wednesday?

Mr. MONDELL. Mr. Speaker, I make the request in order that we may take up on Calendar Wednesday a bill reported last evening from the Committee on Ways and Means.

Mr. MADDEN. I shall not object, but still further reserving the right to object, would say that I think the unwisdom of the legislation proposed must be manifest to everybody. The proposition is to legislate on three or four articles, the prices of which have fallen, while those three or four articles are still in the hands of the owners, and to eliminate from consideration—

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I want first to make this one statement—to eliminate from consideration articles that are in the hands of thousands and thousands of other industries throughout the United States, and thus indulge in the passage of special legislation, instead of general legislation which I would very much like to see enacted. However, Mr. Speaker, I do not object.

The SPEAKER. Is there objection?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, does the gentleman from Wyoming think it hardly fair that a bill of this importance, reported last night and printed for the first time this morning, should come up to-morrow, and furthermore, in view of the fact that some Members who have not family ties here, who expect to spend Christmas away from here, have their reservations already made for to-morrow?

Mr. MONDELL. The matter has been discussed for some time, and gentlemen will have to-day in which to consider it.

Mr. RAYBURN. That is a long time.

Mr. MONDELL. Until to-morrow when the House meets.

Mr. RAYBURN. I object.

Mr. MONDELL. A great many Members of the House on both sides have asked that the matter be taken up to-morrow instead of the day following.

The SPEAKER. Is there objection?

Mr. RAYBURN. Mr. Speaker, I object to dispensing with business in order on Calendar Wednesday, to-morrow.

The SPEAKER. The gentleman from Texas objects.

Mr. MONDELL. Mr. Speaker, I move to dispense with business in order on Calendar Wednesday, to-morrow.

The SPEAKER. The question is on the motion of the gentleman from Wyoming to dispense with business in order on Calendar Wednesday, to-morrow.

The question was taken.

*Mr. KINCHELOE. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. Evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on the motion of the gentleman from Wyoming, to dispense with business in order on Calendar Wednesday, to-morrow.

The question was taken; and there were—yeas 207, nays 77, answered "present" 2, not voting 145, as follows:

YEAS—207.

Almon	Focht	Lankford	Riddick
Anderson	Fordney	Layton	Robison, Ky.
Andrews, Nebr.	Frear	Lazarus	Rosenberg
Ashbrook	French	Lee, Calif.	Rose
Ayres	Fuller, Ill.	Lee, Ga.	Schall
Bacharach	Garner	Leibach	Scott
Barbour	Glynn	Little	Schreve
Begg	Good	Longworth	Sinclair
Benham	Goodykoontz	Luhning	Sinnot
Black	Gould	McAndrews	Smith, Idaho
Black, Ind.	Graham, Ill.	McDuffie	Smith, Ill.
Bland, Mo.	Graham, Pa.	McKenzie	Smith, Mich.
Bland, Va.	Green, Iowa	McLaughlin, Mich.	Smithwick
Blanton	Greene, Mass.	McLaughlin, Nebr.	Snyder
Boles	Greene, Vt.	McLeod	Steagall
Bowers	Griest	MacGregor	Steenerson
Brooks, Ill.	Hadley	Magee	Stephens, Ohio
Brooks, Pa.	Hardy, Colo.	Mann, Ill.	Strong, Kans.
Burroughs	Harrell	Mansfield	Strong, Pa.
Byrnes, Tenn.	Harrison	Maps	Summers, Wash.
Campbell, Kans.	Hastings	Martin	Summers, Tex.
Campbell, Pa.	Haugen	Merritt	Sweet
Caraway	Hawley	Michener	Swindall
Chidblom	Hayden	Miller	Swope
Clark, Fla.	Hays	Monahan, Wis.	Taylor, Ark.
Classon	Hernandez	Monnell	Taylor, Colo.
Cole	Hersey	Montague	Taylor, Tenn.
Cooper	Hickey	Moore, Ohio	Temple
Copley	Hicks	Moore, Va.	Thompson
Crago	Hoch	Moore, Ind.	Tillman
Crisp	Holland	Murphy	Tilson
Crowther	Houghton	Newton, Minn.	Timberlake
Curry, Calif.	Howard	Newton, Mo.	Tineher
Dale	Hudspeth	O'Connor	Towner
Davis, Minn.	Hull, Iowa	Ogden	Treadway
Denison	Humphreys	Osborne	Upshaw
Dickinson, Iowa	Husted	Padgett	Valle
Dowell	Hutchinson	Park	Vestal
Dunbar	Ireland	Parker	Vinson
Dunn	Jeffers	Parrish	Volstead
Echols	Johnson, S. Dak.	Patterson	Wason
Edmonds	Johnson, Wash.	Porter	Watson
Elliott	Jones, Tex.	Purnell	Webster
Elston	Juhl	Raker	Wheeler
Emerson	Kahn	Ramsey	White, Kans.
Esch	Kelley, Mich.	Ramsayer	Williams
Evans, Mont.	Kennedy, Iowa	Randall, Calif.	Wilson, La.
Evans, Nebr.	Kless	Ransley	Wood, Ind.
Evans, Nev.	Kinkaid	Reavis	Woods, Va.
Fairfield	Knutson	Reed, W. Va.	Young, N. Dak.
Ferris	Kraus	Rhodes	Zihlman
Flood	Langley	Ricketts	

NAYS—77.

Aswell	Doughton	Linthicum	Rogers
Barkhead	Dupré	Lucre	Rucker
Barkley	Eagan	McClintic	Sears
Bell	Fess	McFadden	Sherwood
Box	Gallagher	McKeown	Sims
Briggs	Gallivan	Madden	Sisson
Brinson	Gard	Major	Stedman
Buchanan	Garrett	Mays	Stephens, Miss.
Byrnes, S. C.	Godwin, N. C.	Milligan	Stoll
Cannon	Goodwin, Ark.	Minahan, N. J.	Thomas
Cantrill	Griffin	Nelson, Mo.	Venable
Carter	Hardy, Tex.	Nolan	Watkins
Clark, Mo.	Huddleston	Oldfield	Weaver
Cleary	Hull, Tenn.	Olney	Welty
Collier	Jacoway	Phelan	Wingo
Connally	Johnson, Miss.	Pou	Wright
Cullen	Kincheloe	Quin	Young, Tex.
Davis, Tenn.	Lanham	Rainey, H. T.	
Dewalt	Larsen	Rayburn	
Dickinson, Mo.	Leshner	Reber	

ANSWERED "PRESENT"—2.

Butler

NOT VOTING—145.

Ackerman	Brand	Cars	Davey
Andrews, Md.	Britten	Casey	Dempsey
Anthony	Browne	Christopherson	Dent
Bakka	Brumbaugh	Coady	Dominick
Baer	Burdick	Costello	Donovan
Bee	Burke	Cramton	Dooling
Benson	Caldwell	Currie, Mich.	Doremus
Blackmon	Candler	Dallinger	Drane
Bocher	Carew	Darrow	Drewry